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SOUTH DAKOTA SOYBEAN
RESEARCH & PROMOTION COUNCIL



Candidate for Senate outlines his disaster plan in farm bill

SELLING DISASTER PLAN: Dwight Grotberg, Republican candidate for the U.S. Senate in North Dakota, says he'd try to sell President Bush on his plan to create a permanent disaster program in the next farm bill. His idea involves use of tax-free shelters for farmers to help them protect themselves.



Editor's note: Dwight Grotberg, a Wimbledon, N.D., farmer, and candidate for the U.S. Senate, recently outlined his strategy for getting a disaster program in the 2007 Farm Bill.

By **DWIGHT GROTBORG**

TWO years of inadequately covered disasters is taking its toll on many of our farmers. In the future, North Dakota farmers need a plan that protects them from inevitable hard times. We must plan for disasters instead of only reacting to them when they occur.

For the past two years, our delegation has not been able to get a disaster bill passed. The blame has been put on the Republicans in the House and on the president. The bill passed overwhelmingly, however, in the Republican-led Senate. The U.S. Senate has higher representation for agricultural states like North Dakota, because every state has two senators. Representation in the House, on the other hand, is based on population and is much higher for those in urban and suburban areas.

I believe it is our job to sell a new plan for disaster assistance to Congress and the president because the old approach of tying it on to other bills is no longer working.

Use energy

The new farm bill should have disaster assistance and higher crop-insurance coverage written into it. My plan is to take production agriculture to the next level where prices below cost of production are a thing of the past. Here's how:

- Create a National Security Initiative for energy that works together with the 2007 Farm Bill. Energy prices are causing serious inflation throughout our economy. America can and should be the source for our energy needs, and traditional petroleum products and bio-fuel from America can meet this demand at a lower cost to consumers and the federal government. The economic activity from increased domestic production and transportation infrastructure will help bring stability to agriculture and the nation. Our nation's whole economic picture will improve dramatically

Key Points

- Senate candidate would build disaster programs around biofuel.
- Tax-free shelters would give farmers ability to save for hard times.
- Plan would save money over the current farm and insurance programs.

when our energy dollars are spent here instead of overseas.

- Reduce restrictions on building refineries and increasing domestic petroleum production. We must be able to meet petroleum demand by tapping into our reserves on coastal waters and in the Arctic National Wildlife Refuge, as well as North Dakota's own oil and coal reserves. Agriculture's biofuel future depends on our freedom from dependency on foreign oil, and consumers need relief from escalating fuel and fertilizer prices.

- Show Congress and the president that they can fund disaster coverage through savings of billions of dollars as a result of higher demand for energy commodities such as corn, soybeans and canola. Increase in demand for these types of commodities helps to solve overproduction of other commodities. Livestock producers benefit from an abundant feed-byproduct supply.

To prepare for disasters, we should use these potential savings to invest in a disaster relief fund and offer affordable insurance that matches cost of production. Federal assistance for emergencies can be provided quickly if the funding is already available.

Tax-free shelters

Environmental incentives promise to be an increasing part of the next farm bill. Our farmers and ranchers need protection from environmental mandates that negatively affect production. Both grain and livestock producers are threatened by over-reaching national programs that don't work for their local situations. Farmer-initiated and controlled conservation should be encouraged.

- Allow farmers and ranchers to put a significant percentage of their annual gross income into a tax-free shelter that they could draw upon when a crisis

occurs or when opportunities arise. Due to production fluctuations, the fact that farmers cannot set their own price, and that we are susceptible to surcharges for transportation, we need this important tool to help encourage savings for hard times.

- Compensate farmers for losses that occur when it floods after they plant the same way we compensate them when they can't plant because fields are too wet. Excess water is costing North Dakotans millions of dollars every year. Farmers are now only covered on those acres that are prevented from being planted. Yields should be calculated on only the harvested acres. Both farmers and local suppliers of inputs like seed and machinery are affected.

We need a solution to this problem. If we cannot afford to properly compensate farmers for losses due to flooding, we should not be hindering their ability to properly manage water.

- Address the needs of the livestock producer. In some southern locations of the United States, the demand for commodities such as corn and soybeans is much greater than here. This translates into higher prices for commodities due to the fact that they have a large number of livestock to feed, which creates a huge demand. We need to encourage livestock production in North Dakota. We must ensure that our livestock producers maintain freedom to grow their operations in a profitable way.

- Protect our biofuel, sugar and livestock industries from unfair world trade issues. Free trade as a whole is beneficial, and I am a strong supporter. Unfortunately, some industries become negatively affected and need to be protected. To help get our biofuel industry strong, we need to encourage usage from home, not overseas.

End crisis legislation

We have to stop legislating from crisis to crisis. We need to be represented as a people with a plan in order to regain support from nonagriculture-centered states as demonstrated last week in the U.S. House. My approach will be based on growing both food and energy, for our farmers and for our national security.

'I'm ticked': Ag disaster aid is unfair

By **PAM GOLDEN**

IN the aftermath of Hurricane Katrina, I listened to people holler and moan about the government not doing enough to help the victims. First, I cared. I've been there. Then, I was a bit disgusted with people who didn't even bring food and water to the shelter. That's been drilled into our heads since before I moved to Florida 30 years ago. When they complained about long lines to get their debit cards, I suggested everyone of working age on the monthly dole when the hurricane hit be dropped from the line. That would make it a lot shorter.

That's about the time I turned absolutely indifferent to the wailing and gnashing. Now I'm ticked. Seriously ticked.

Where is it written that victims of one hurricane — or any other natural disaster — should be compensated to a greater extent than victims of another disaster? Why does an employee of a big company receive more help than a small-business owner? Where is it written that if you don't have insurance, the rest of us who paid insurance premiums have to ante up tax money to compensate your loss?

The government response to Hurricanes Katrina and Rita is the best argument in favor of a disaster provision in the 2007 Farm Bill. The issue is parity.

First, victims of a hurricane suffer at varying levels depending on the damage to their homes and to their communities. Geographic location, however, lends no distinction. That means they should be compensated based on their loss, not their ZIP code.

Further, if insurance is available and someone chose not to purchase it, then that's the risk they chose to take.

But if insurance isn't available or is inadequate, as is the situation with most agricultural enterprises, then we must step up to the plate to compensate victims. The way to do that is to prepare for such disasters with a written plan for responding, documenting and compensating those who were in the path of the hurricane, under the rays of the drought or twisted by the tornado.

Otherwise, our response is dictated by our emotions and tempered only by the size of the purse available in the wake of the disaster.

Fewer people were impacted by Hurricane Ivan than by Hurricane Katrina. But those who lost their homes, lost their homes. Those who lost pine stands no longer have a retirement crop. Those who watched their cotton bolls blanket the ground had nothing to take to the gin.

A disaster provision ensures that everyone is compensated the same.

Write it now.

Golden is a Farm Progress editor.