

CROPS

2016: key year for rice growers



Rice Focus

By MICHAEL DANNA

RICE growers are always looking ahead, but few thought they would have to look nine years down the line when it comes to farm bill legislation.

It's the ninth year of the next farm

Key Points

- Rice growers know 2016 is a year they could lose direct payments.
- Farm bill wrangling over money likely will squeeze some producer benefits.
- Producers call for commodities in foreign aid, not just dollars.

bill many Southern rice producers are concerned about — the year 2016 to be exact. In the funding battle that always precedes a new national farm law, 2016

is the year rice producers will see their direct payments temporarily vanish.

"Every farm bill always has these kinds of deals," says Kyle McCann, national affairs specialist with the Louisiana Farm Bureau Federation. "You always put the cuts off for as long as you can in hopes of re-addressing them later. And there's the chance that things will change between now and then."

While direct payments to rice producers would return in 2017, the ninth year of the proposed 10-year farm bill



still gives farmers cause for concern. "Growers definitely want to maintain the direct payments they currently have," McCann says.

Long look at the farm bill

As the bill languishes in the halls of Congress, one thing is certain: Rice growers will maintain their loan rate of \$6.50. However, for some growers there's little comfort elsewhere in the bill. Issues like food aid, gross adjusted income and baseline spending still need to be ironed out.

At a recent farm forum, Rep. Charles Boustany, R-La., a member of the House Agriculture Committee, said House and Senate farm bill spending numbers will be between \$6 billion and \$12 billion over baseline.

"So at least now we know where that range is," Boustany said. "We've got a document that we put on the table with the Senate that goes \$6 billion over baseline and basically preserves the ag programs that we voted on in the House farm bill. Now we have to hammer out the money."

"The Senate countered with a \$12 billion proposal, which the White House is not going to accept," Boustany continued. "But at least we know what the boundaries are."

More on the line

Food aid is another concern for rice growers, McCann says. When President Bush visited Africa in late February, he promised U.S. dollars for everything from AIDS prevention and education to mosquito nets. Southern rice growers want food to be part of any international spending and relief effort.

"If we're going to provide them aid, it should be our commodities," McCann says. "We don't want to just give away money and let them spend it to buy commodities from somebody else."

Rice producers, like all farmers, have had to contend with adjusted gross income issues since the mid-1990s. It's the benchmark on which all direct payments hinge. But so far, the proposed farm bill locks out some producers whom Congress deems make too much money.

"Show me a rice producer making too much money these days," McCann muses. "The administration is still weighing in with its veto threat and still pushing very hard on lowering the AGI to levels lower than what came out of the House and Senate. It [the Bush administration] also has been pushing hard on wanting growers to lose beneficial interest in our crop at the same time any LDP [loan deficiency payment] payment is made."

Danna writes from Baton Rouge, La.

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