



Sen. Thune: A look back at 2009 with an eye on 2012

By Sara Wyant

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Washington, Dec. 21. When it comes to implementation of the 2008 Farm Bill, no news from the countryside may be good news.

“For the most part, we aren’t getting a lot of complaints,” says GOP Sen. John Thune about farmers in his home state of South Dakota. “It was a really wet year and the weather and commodity prices are always the main part of conversation,” he adds.

In term of the farm bill, Thune says that “Overall, we are getting pretty positive feedback.” There are still some questions about the new Average Crop Revenue Election (ACRE) program and the Biomass Crop Assistance Program (BCAP) is getting a lot of interest. The BCAP provides financial assistance to producers or entities that deliver eligible biomass material to designated biomass conversion facilities for use as heat, power, biobased products or biofuels.

Thune says he would like to see more biomass produced into biofuels rather than electricity under the BCAP program, but understands that the technology for cellulosic ethanol is coming along gradually.

“We still think there is great potential there,” he adds. The biggest ethanol producer in the country, Poet, is based in Thune’s home state. A pilot-scale plant in the southeast South Dakota town of Scotland has produced about 20,000 gallons of cellulosic ethanol since it began operations about one year ago. The firm plans to produce 25 million gallons of ethanol each year from plant waste typically left behind in farmers’ fields at its ethanol plant in Emmetsburg, IA.. The BCAP program is one way farmers would benefit from hauling their field waste in to these types of biofuel plants.

Looking ahead to the next farm bill, Thune says hearings for the 2012 Farm Bill will likely start next spring and that’s when he expects to hear a lot more feedback on what 2008 Farm Bill provisions need to be improved.

Asked about the prospects for more revenue-based programs like ACRE in the next farm bill or whole farm revenue insurance, as House Agriculture Committee Chairman Collin Peterson discussed in the 12-16-09 edition of *Agri-Pulse*, Thune says he's open to those concepts.

“The complexity of ACRE has been a barrier to entry, but it has potential. We need to hear the experiences of producers who have tried the program to see what worked and what didn't,” Thune says. “We have to be willing to a look at all farm programs in a different light. And if a revenue type of program would be preferable, we need to be open to that.

Crafting future farm legislation will be difficult because “it will be a very challenging fiscal environment,” Thune emphasizes. “Support for farm programs in general has been on the wane and there will be all kinds of pressure on direct payments. That's why our risk management tools have to be effective and why we need a really good crop insurance program.”

Thune says one of the biggest potential threats for agriculture could come in the form of new climate change regulations from the Environmental Protection Agency (EPA) or legislation, even though he is not convinced that the Democratic majority has the 60 votes needed to pass a climate change bill in the U.S. Senate.

“I am very concerned about the impacts on agriculture. There may be some offsets we can benefit from, but on balance, if you are an industry that's as energy intensive as agriculture is and you are looking at the kinds of spikes in diesel, electricity and fertilizer prices that the (Kerry/Boxer) bill would bring, it would be absolutely disastrous for American Agriculture,” emphasizes Thune.

“We all want carbon dioxide emissions out of the atmosphere, but there are ways to do that which are incentive-based rather than this heavy-handed, top-down, mandated, bureaucrat-driven effort out of Washington which will have a crushing impact on the farm economy.”