The Grain Store

Volume 13 Issue 1 Summer 2006

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Farmers to Receive USDA Incentive to Grow Hulless Barley

Farmers can receive $35 per acre to grow hulless barley as a commodity cover crop. USDA recently awarded the Maryland Grain Producers Utilization Board (MGPUB) a Conservation Innovation Grant of $750,000 to supplement the state's harvestable commodity cover crop program. In year one farmers will receive an additional $15 per acre, as well as the Maryland Agricultural Cost Share (MACS) payment of $20. The incentive was requested by MGPUB to enable Maryland farmers to try hulless barley and gain experience growing and harvesting this new barley crop in preparation for its use as a feedstock for ethanol production. The Maryland Department of Agriculture is a key partner in this effort and will administer the program through their MACS office. To enroll in the program, farmers should contact their local soil conservation district.

The grant allows for up to 3,000 acres to be planted this fall. Perdue Farms has agreed to purchase the crop that precedes its use at a 50 million gallon per year mixed grain ethanol plant in the Chesapeake Bay watershed. Up to 20,000 acres will be eligible for the $12 subsidy in 2007 growing to over 50,000 in 2008 at a $10 incentive rate. In 2008 ethanol production should be online to utilize the crop.

An ethanol plant using hulless barley as feedstock for four months of the year will expand the acreage of small grains in the Chesapeake Bay watershed by approximately 130,000 acres per year. This will provide additional water quality benefits for the watershed by reducing nutrient and sediment runoff. In addition, the development of a local ethanol project will provide a clean-burning fuel to be utilized in the Baltimore metropolitan area to improve air quality and reduce

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Ethanol Production Coming to Maryland

Plans are coming together to build a 50 million gallon barley and corn ethanol plant in Maryland. Negotiations are underway to locate near the gasoline terminal area in Baltimore City. This "destination plant" will have an advantage over Midwestern plants railing ethanol into the region - one that is somewhat offset by the need to rail corn into the region for at least part of the year.

This ethanol project was spearheaded by the Maryland Grain Producers Utilization Board (MGPUB) using checkoff funds to facilitate the development of an ethanol industry in the state. MGPUB will retain involvement in the project as a non-voting shareholder. The development will be undertaken by a separate company as it was never the intention of MGPUB to build and operate an ethanol facility. An initial study was completed in 2001 to determine the feasibility of building a

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Make Your Vote Count - Maryland Grain Checkoff Referendum July 28

Farmers Helping Farmers . . . . . Message from MGPUB President Jason Scott

In 1991, when I was in fifth Grade, the leadership of the Maryland Grain Producers Association had the foresight to propose a grain checkoff program. The first referendum was held in August and the Maryland Grain Producers Utilization Board (MGPUB) was established to start the Maryland Grain Checkoff Program in October 1991. Since that time the checkoff has utilized $7.6 million to contribute to the betterment of Maryland agriculture by funding projects related to market development, research and education.

In 1991, 1.4 billion bushels of the nation's 7.5 billion bushel crop was used for seed, food and industrial uses. Today, this figure exceeds 3 billion bushels of the 11.8 billion bushel crop. This expansion in industrial uses includes ethanol, solvents & cleaners, and polylactic acid the process that produces plastics and fabrics from corn. The export market has grown from 1.4 billion bushels to 1.9 billion. Many will question the price of today's corn and the fact that it has not kept pace with inflation - but imagine the price we would be receiving for our predicted 12 billion bushel crop this year without these new markets.

The biggest expansion has obviously been ethanol production, from 1.2 billion gallons in 1991, to an anticipated 4.8 billion gallons this year, consuming more than 12% of the corn crop. Maryland farmers will have the ability to join this growing market opportunity by growing hulless barley and corn for use here in our own state. MGPUB has been promoting

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. . . Message from MGPUB President Jason Scott

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ethanol since its inception in 1991, but only as a means to use more Midwest corn. Since MGPUB conducted its first study in 2001 to see if ethanol production in Maryland is feasible, the business model has been developed into what is now a viable opportunity in which Maryland farmers will be encouraged to invest.

Contributing to the checkoff program has enabled Maryland farmers to be part of the national market growth. We have joined forces with grain farmers across the country and contributed $3.6 million towards market development programs both in Maryland and nationally. Our contribution to production research projects exceeds $1.5 million and support of educational activities, including the public awareness of the importance of Maryland agriculture exceeds $1 million.

Maryland grain farmers have served on the checkoff board since its passage in 1991, serving up to three two-year terms for a maximum of six years. They serve without compensation and meet at least four times a year including a three-day meeting in January where they review proposals and determine the best use of checkoff funds. The state is split into six regions and MGPUB has two members from each region. We welcome your participation if you are interested in serving as a board member. Potential members are welcome to attend a meeting or two to see how the Board functions and to determine your interest level.

What is important about Maryland's grain checkoff program is that you do have an option, if you don't like to contribute to the program, there is a refund provision so you can apply for a full or partial refund. Fortunately less than 8% of the funds are returned which allows the Board to function and support projects that will have a long-term benefit to producer profits. Personally, I believe that if you have problems with the program, you should contact the Board members from your region - we provide you with their phone numbers - and tell them what you don't like, but more importantly what you would prefer us to do.

I encourage you to support the referendum on the Maryland Grain Checkoff. Vote on July 28th or call MGPA today for an absentee ballot and make your vote count.

MGPUB Welcomes New Board Members

Three new members join the MGPA and MGPUB boards, bringing interests in increasing MGPA membership and improving farm viability through new markets, research and education.

Chip Bowling joins the board for Region 6, coming from Newburg in Charles County where he has served on the boards of the County Fair and county Chamber of Commerce, and currently on the FSA board. Born and raised on the farm, Chip has spent a lifetime involved in tobacco, cattle and grain. Taking advantage of the tobacco buying in 1999, emphasis has now been placed on grains.

Walter Gordon and his brother Joseph have been farming for over 30 years in Frederick County. They raise cattle, barley, wheat, oats, corn, soybeans and hay on approximately 500 acres. Walter lives in Middletown where he is active in church, Farm Bureau, Frederick County Auctioneers Association, 4-H All Stars and the Maryland Cattlemen's Association. Walter represents Region 6.

Bubby Norris serves as the Region 5 representative and raises 125-150 head of goats in addition to his field crops of grass hay, alfalfa, barley, corn, beans, wheat and straw. He has a 300 acre farm in Chaptico where he has been farming for 45 years. Bubby is involved in St. Mary's County Ag Land Preservation Board, Ag Commission, and St. Mary's County Farm Bureau board member for 10 years. He is an active member of his church, Optimist Club, and County Watch Dog Committee for land use issues.

MGPA & MGPUB BOARD

MGPA & MGPUB Regional Members
(Regional members serve on both boards)

James Nelson, Jr. (Region 1)	410-651-3799
Roger Richardson (1)	410-749-1022
Jason Scott (2)	443-521-0080
Lewis Smith (2)	410-822-6983
Jim Boyle (3)	410-758-1454
Bruce Burgess (3)	410-556-6201
Ricky Bauer (4)	410-531-6261
Charles Schaefer, II (4)	410-848-6392
Bubby Norris (5)	301-769-3870
Chip Bowling (5)	301-259-4397
Donald Maring (6)	410-795-2970
Walter Gordon (6)	301-371-7605

MGPUB Officers
President - Jason Scott
Vice President - Donald Maring
Treasurer - Raymond Norris
Secretary - Lewis Smith

MGPUB Non-Voting
Breck Debnam - Ag Commission
Charles Morris - Industry (Perdue)
Bob Kratochvil - University of Maryland
Mark Powell - Maryland Dept. of Agriculture

MGPUB Voting
Jamie Jamison - NCGA Director
Edward Stanfield - UCGC Director
Robert Hutchison - NBIC Director

MGPA Officers
President - Edward Stanfield
Vice President - Charles Schaefer, II
Treasurer - Drew Stabler
Secretary - Lewis Smith

MGPA At Large
Mike Nelson
Bob Shaw
Charles Otto

MGPA Advisory
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Ronald Mulford - UMD

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Maryland Grain Producers Association &
Maryland Grain Producers Utilization Board
53 Slama Road, Edgewater, MD 21037-1423

USDA Incentives

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greenhouse gas emissions in the Chesapeake Bay watershed.

The development of a value-added biofuels project in the region will also address a priority of the USDA and the Bush Administration to reduce the U.S. dependence on foreign oil. It will provide additional income for farmers, especially those who invest in the ethanol project, thereby improving farm viability and reducing the number of acres sold for development.

In the fall of 2004, VPI introduced Doyce, the first winter hulless barley variety specifically bred for mid-Atlantic growing conditions. Hulless barley has a test weight of approximately 56 lbs. and a higher starch content than hulled barley. Doyce yields about 20% less than the best hulled barley varieties but 10-15% of this yield loss is a direct result of the fibrous outer shell (hull) being left in the field.

Hulless barley yields 2.36 gallons of ethanol per 56 lb. bushel which may be expanded to 2.45 gallons per bushel when enzymes become more cost effective to break the beta-glucan into glucose and then ethanol. Although this ethanol yield is still less than corn (2.8 gallons per bushel), it is sufficiently high to be competitive and viable when priced at 75% of the price of corn.

MGPUB grant funds have been provided to Dr. Robert Kratochvil and Dr. José Costa at the University of Maryland for research on the growing of hulless barley compared to hulled barley, including research on yield variations of Doyce and other newly-developed hulless varieties to determine the best varieties for Maryland's growing conditions. Although genetically very similar to hulled barley, and in the field impossible to distinguish the difference, there are different features that will require a change from existing cultivation practices, including different seeding rates, seeding depths and combine threshing specifications for cylinder speed and concave opening. As a project participant, Dr. Bob Kratochvil will provide technical assistance to farmers in raising their crop.

Ethanol Production

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barley-based ethanol plant in Maryland. Since that time, the business model has changed considerably but the original goal of building an ethanol plant that can provide benefits to Maryland farmers by establishing a new market for barley and other grains and maximizing the opportunity for Maryland's agricultural community to invest, remains the core of the project and something that sets this effort apart from other projects under consideration.

It is anticipated that the new ethanol plant will utilize hulless barley for part of the year. This feature will provide a new market for an under-utilized crop and protect the Chesapeake Bay by increasing the acreage of small grains grown over the winter taking up excess nutrients and reducing soil erosion. Both locally raised and railed-in corn will be used for the remainder of the year.

Robert Hutchison will be speaking on this project at the Maryland Commodity Classic. For more information call Lynne Hoot, 410-956-5771.

"Ethanol is home grown. Ethanol is good for the whole country," stated President George W. Bush at the Renewable Fuels Summit in April. "It is good for the environment. You don't have to choose between good environment and good economics. You can have both." The President applauded the use of E85 and called for more tax incentives on hybrid and clean diesel vehicles. MGPA board members Ed Stanfield and Chip Bowling participated in the Summit.

Live Green Go Yellow-E85

Promotion of E85 and the flexible fuel vehicles (FFVs) that can utilize this blend of 85% ethanol and 15% gasoline has been making headlines as GM and Ford take to the airways. An MGPUB grant to Jill Hamilton with Sustainable Energy Strategies, has capitalized on this advertising by linking with GM to promote the E85 stations in Maryland.

There are currently three Maryland stations open to the public, the Citgo at 2044 West Street in Annapolis, the Chevron at 3240 Fort Meade Road/Rt. 198 in Fort Meade, and the Montgomery Refueling station on 16640 Crabbs Branch Road in Gaithersburg. Joining the lineup soon will be a new pump at the State office facility at West Preston Street in Baltimore and another at the University of Maryland Campus at College Park.

Ethanol as a 10% blend is now being sold in the non-attainment areas throughout the state of Maryland. Roughly 20 million gallons a month is coming into the Baltimore terminals by barge or rail. As a result of this new ethanol market, we anticipate that the availability of ethanol in bulk in Baltimore will bring the price of E85 more inline with gasoline. Drivers can expect a 10-15% loss in miles per gallon but can expect improved performance from this 105 octane fuel.

E85 Victory with IRS

The Internal Revenue Service has recently published Form 8911, Alternative Fuel Vehicle Refueling Property Credit, which provides the first ever federal income tax credit for the installation of E85 fueling systems. The infrastructure development provision was part of the 2005 Energy Policy Act and provides a 30% federal income tax credit, up to $30,000 per property, to install alternative fuel dispensing systems. This new incentive can provide significant assistance to E85 fueling stations across the country.

Corn Comes to the Table in New Ways

U.S. corn can be found in feeding troughs around the world. Processed corn products sweeten soft drinks and supplement livestock rations. But corn isn't just a feed ingredient anymore. Demand for alternatives to conventional petroleum-based products is increasing with rising gasoline prices. From the fuel in the tank to the plastic wrap around food, corn is turning up in places most people never envisioned 15 or 20 years ago.

The U.S. Grains Council has taken a lead role in educating international customers on the advantages corn-based bioplastics hold for the environment, by introducing the product in new markets and thus expanding U.S. exports at the same time. Credit also goes to Council members like the Maryland Grain Producers Utilization Board for supporting the research and development of these products. Without the support from the checkoff dollars, none of this work would be possible.

Japan and Taiwan have been particularly receptive markets for these bioplastics - quickly realizing the benefits of compostable plastics on islands with limited area for waste disposal. In Japan, plastic made from polyactic acid (PLA), a corn-based polymer, is found in a range of products from textiles to TV sets to cell phones to socks. U.S. PLA exports to Japan in 2005 are estimated at 15,000 metric tons, the equilvent of 1.457 million bushels of U.S. corn. Taiwan, which primarly uses PLA to make single use products such as food containers and cups, exceeded 2005 import expectations by 800 tons, for a total of 4,500 tons (equal to 11,250 bushels of corn).

To advocate bioplastics in both of these markets, the Council has participated in media events and worked directly with manufacturers. The Council has also conducted educational seminars for government officials, agricultural leaders and the public to promote the use of these environmentally-friendly products.These two markets hold the potential for significant growth - the Council estimates Japan could import 60,000 tons and Taiwan 50,000 tons annually of U.S. PLA (equivalent to 5.9 million bushels and 4.9 million bushels of corn respectively) by 2008.

The Council continues to build demand for bioplastics through educational initiatives to reach Japanese consumers who do not fully appreciate and understand the value of U.S. corn to bioplastics. In this environmentally-sensitive market, the Council will work to enhance both manufacturers and consumers' understanding of U.S. corn's key role in Japan's efforts to decrease air pollution, reduce green house gas emissions and improve the environment. In Taiwan, the Council is striving to ensure that U.S. bioplastics reap full benefit from passage of a legislative bill to promote usage of bioplastic products earlier this year. The Council is also working with partner companies to build awareness of and demand for bioplastics in markets such as Korea, Hong Kong and Singapore.

Why are bioplastics important to Maryland farmers if the corn used to produce them comes from the Mid-West and the biggest markets for these products are overseas? Ed Stanfield, president of the Maryland Grain Producers Association, sees the broader implications. "Corn production is increasing across the country - last year's near-record production was only exceeded by the year before," he says. "In order for corn farmers to reap the biggest benefit from these bumper harvests, there has to be an equally great demand. While we're looking to ethanol as one way to build demand here in Maryland, it is good to know that other uses for corn like bioplastics are being developed so that we are not putting all our eggs in one basket."

To help absorb all that corn, Council members and leadership are intensely interested in the future of bioplastics. When the USGC's President's Mission visited Taiwan in November 2005, Davis Anderson, USGC chairman, was able to get a close look at PLA manufacturing. "We were excited to witness the transition of bioplastics from the research and development stage to commercial production and sales, knowing the Council and our members helped make it happen," said Mike Callahan, USGC senior director of international operations - Asia, who accompanied Anderson.

Building markets for U.S. corn, barley and sorghum and their co-products is key to the U.S. Grains Council's mission. With support from state checkoff organizations like the Maryland Grain Producers Utilization Board, the Council is working around the world, around the clock to open markets and increase demand not only for the raw grains, but also for value-added products like bioplastics and distiller's dried grains with solubles.

Chelsea Colley, Miss USA 2005, models PLA socks at a press conference hosted by the Council and the U.S. Hosiery Technology Center in November to introduce the socks in Japan.

2006 - 2007 Cover Crop Will Offer Harvest Option

Sign Up Ends July 28, 2006

A harvest option tops the list of new features available to farmers who sign up for the Maryland Department of Agriculture's 2006-2007 Maryland Cover Crop Program. Eligible farmers can receive cost-share assistance ranging from $20-$50 an acre to plant cover crops this fall to help absorb unused crop nutrients remaining in the soil after fall harvest and to act as a ground cover to keep the soil from washing away in winter.

The new Commodity Cover Crop Program is for farmers who want to harvest their cover crop. Up to 500 acres may be enrolled in this program. Eligible farmers must plant by November 5, 2006 to receive $20 an acre.

"In addition to the harvest option, MDA has put together a number of program enhancements to help boost participation," said Agriculture Secretary Lewis R. Riley. "Also new are larger acreage caps, an extended sign-up period and less paper-work to file for early planting bonuses." Farmers may also plant up to 1,000 acres per farm in the conventional cover crop program with unlimited stand-by acreage. Cover crop cereal grains may be planted immediately following the fall harvest of corn, soybeans, sorghum, tobacco or vegetables. Research indicates that cover crops planted in early fall provide the greatest water quality benefits. Therefore, the earlier farmers get their cover crops planted, the higher their reimbursement rate will be. Farmers who plant their cover crops by October 1 are eligible to receive $50 an ace in cost-share funding. Cost-share funding of $40 an acre is available to farmers who plant by October 15. Farmers who plant by November 5 will be eligible to receive $30 an acre in cost-share funding.

MDA will offer split reimbursement payments dispersed in the fall and spring for the conventional cover crop program. All payment rates will be provided in full by MACS during the 2006-2007 planting season. An on-line application form that can be faxed to local soil conservation district offices is available on MDA's website at www.mda.state.md.us.

Barley, canola, rapeseed, rye, ryegrass, spring oats, triticale, brassicas (kale) and wheat planted in the fall of 2006 are eligible. All seed used is required to meet Maryland Seed Law and Regulatory Standards and have a minimum germination rate of 80 percent. The use of non-poultry manure is permitted under certain conditions.

Requests for cover crop funds will be approved on a first come, first served basis. Additional stand-by acres in the conventional program may be approved if funds are available after regular sign-up ends. Stand-by acreage is not available in the Commodity Cover Crop Program.

Farmers should contact their local soil conservation district office to enroll before the July 28 signup deadline.

For more information, contact the MACS office at 410-841-5864.

Made to Disappear

Given the right composting conditions including high heat, humidity and micro-organisms, a BIOTA bottle will disappear in 75 to 80 days . . . 12 weeks. BIOTA Spring Water is a new product offered by a Colorado firm which boasts the world's first bottled beverage packaged in a "Planet Friendly" bottle. It is manufactured from plastic polylactide, or PLA, in a process using 30-50% less fossil fuel than petroleum-based plastics. The company is touting its corn-based packaging and the environmental benefits that go along with it, encouraging consumers that "together, we can make a difference, one bottle at a time." See more at www.biotaspringwater.com.

"Gallery of Corn" Photo Contest

The National Corn Growers Association invites its members and families to showcase nature's artwork - in its various production stages - through the NCGA Photo Contest.

2005 Grand Prize Winner

Entrants may submit one photo per category:

- NEW! Historic Farm Life
- Planting
- Growing
- Harvesting
- Production Livestock
- Scenic
- Families on the farm

Prizes: A Grand Prize ($500) contest winner, first ($75), second ($50) and third ($25) place winners will be named in each category. So grab your camera and join in the fun showing off America's bountiful corn crop! Deadline for entries is November 28, 2006. Winners will be announced December 2006. All winning photographs will be displayed at Corn Congress at the 2007 Commodity Classic in Tampa, Florida. Contact the MGPA office for complete contest rules and entry form.

Soybean Hulls - Scraps or Pollution Solution?

The Agricultural Research Service has discovered that the undervalued hulls - as well as leftover stalks and stems from already plucked corn and sugarcane plants - make the ideal foundation for a potent filtering agent that can absorb harmful levels of lead, chromium, copper and cadmium from contaminated waters. Scientists have created a dual-functioning ion exchange resin. These resins - which are commonly used for treating industrial and municipal waste waters and for recycling heavy metals from solutions - are typically effective in capturing only one kind of particle with either a positive or negative charge. The new resin can grab both, and it is more cost-effective than two synthetically-made resins currently in use.

Try a Corn Maze!

A new website encourages families to visit a local corn maze through its comprehensive Corn Maze Directory. Complete with activities for children to do in the car while driving to the farm, the site offers a state by state listing of corn mazes. Farms may be listed on their directory at no cost. Visit www.cornmazedir.com for more information.

Industry-wide Public Relations Campaign under Development

The *Statewide Plan for Agriculture and Resource Management* cited the need to raise awareness of the importance of farming to ensure the long-term success of food and fiber production, the preservation of farmland, and quality of life these elements provide. The Maryland Department of Agriculture is coordinating an effort to create a sustainable, year-round campaign to benefit the entire farm community with the help of an ad hoc group of public relations and outreach professionals representing Maryland's major agricultural commodity groups, trade organizations, and related state agencies, including the MGPA. Look for more information at the State Fair this year.

Charles Otto to Attend Academy

The NCGA Leadership Academy is designed to give state corn grower association and checkoff board members training to increase their effectiveness as state leaders. Sessions include building skills in association management, legislative contact, public speaking, presentations, media training and etiquette, as well as discussions about future issues and trends in agriculture. States receive tremendous benefit as their leaders become more effective within their state, as well as within NCGA. Charles Otto is a past president of MGPA and now serves as a MGPA member at large.

At the General Assembly

✓ MGPA supported legislation to ban the use of MTBE during the 2006 legislative session to ensure that the switch from selling MTBE and replacing it with ethanol occurred in Maryland. It appears the ban was unnecessary, and fears of liability lawsuits in the wake of the national energy bill that did not provide the oil industry with a waiver, served that purpose. We now believe that all gasoline sold in the non-attainment areas throughout the state is a 10% blend of ethanol.

✓ The Agricultural Stewardship Act of 2006 passed providing for additional funding in fiscal year 2008 and beyond for soil conservation districts to employ the 110 field positions that were required under the Water Quality Improvement Act of 1998 (nutrient management law). The bill also calls on the Governor to fund MARBIDCO at certain levels ($3m FY08; $3.5m FY09; $4m FY10-20.)

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2005 CORN YIELD CONTEST MARYLAND WINNERS

PRODUCER	HYBRID	YIELD
Irrigated		
Scott Dulin, Centreville	Asgrow RX702YG	274.6887
Ronnie Andrews, Hurlock	Pioneer 33B51	245.8474
Jeremy Dulin, Queen Anne	Pioneer 33B51	243.0551
Non-Irrigated		
Winona Farm, Queenstown	Campbell 6560	223.8662
Tim Bishop, Queenstown	Campbell 7700	220.6238
Thomas Dell, Westminster	Pioneer 33M54	218.3230
Ridge Till Irrigated		
Michael Bostic, Jr., Church Hill	Pioneer 33B51	220.9866
Charles Haines, Sudlersville	DEKALB DKC61-72	204.4506
Ridge Till Non-Irrigated		
Cathy Bostic, Church Hill	Pioneer 31G68	223.0149
No Till / Strip Till Irrigated		
John Dulin, Centreville	Pioneer 33B51	269.6657
Mica Farms, Church Hill	Pioneer 33N09	267.1606
Kristy Dulin, Centreville	DEKALB DKC57-84	241.7188
No Till / Strip Till Non-Irrigated		
Grimmel Farms, Jarrettsville	Pioneer 33B51	238.7261
Gregory Dell, Westminster	Pioneer 33B55	229.2562
Henry Covington, Sr., Centreville	Pioneer 33B51	220.9035

Moving Towards the Future . . . . . Greetings from Ed Stanfield, MGPA President

This has been a strong year for looking to the future of Maryland agriculture and our nation's grain industry. Grain producers across the state have been active participants in the development of the *Statewide Plan for Agriculture and Resource Management* developed by the Maryland Agricultural Commission. I want to thank Breck Debnam, field crops representative on the Commission, for keeping grain interests in the forefront of the Plan's development.

I recently attended the Renewable Fuels Summit in Washington DC where President Bush announced his energy plan and his strong support for ethanol. Energy prices have hit the pocketbooks of consumers and brought unparalleled publicity and support to our industry. It is our time to take advantage of this interest and move our agricultural issues forward. MGPA continues to diligently work on state and national legislative issues. It was a quieter year in Annapolis as the General Assembly focused less attention on agriculture and the environment this year. We have encouraged modifications to the crop insurance program to make it more beneficial and usable for the unique nature of eastern farms. Time is being devoted to working with the National Corn Growers Association in shaping our next farm bill.

I urge you not to miss the *Maryland Commodity Classic* on July 27, 2006, at the Queen Anne's County 4-H Park. The day kicks off with tours of checkoff projects at the Wye Research and Education Center, where you can see first-hand the results of research that can be applied to your operation to improve efficiency and profitability. Exhibits open at 11 a.m. at the 4-H Park, followed by the annual meeting, interesting speakers, the latest news on ethanol projects, great crabs and barbecue, and outstanding fellowship.

Free Commodity Classic tickets are available for MGPA members. If you are not currently a member of the Maryland Grain Producers Association and grow grain in Maryland, join today! Complete the form below to apply funds from your checkoff assessment to the membership fee, or enclose a check. You can stay informed of grain news and issues, and get a free Commodity Classic ticket!

I look forward to seeing you at the Classic on Thursday, July 27 in Queen Anne's County.

MEMBERSHIP FEE TRANSFER FOR MGPA

Under the guidelines established under the Maryland Grain Checkoff program, a grain producer may request to have $125 of the assessment that the producer has paid into the checkoff program used to pay for a 3-year membership to the Maryland Grain Producers Association, or $50 for a 1-year membership. MPGA will then provide the producer with information and educational materials from the state checkoff board (MGPUB), and national associations such as the National Corn Growers Association and the National Barley Growers Association.

To initiate this transfer of funds, a producer must complete the form to the right and return it to MGPUB. This payment method can be for both new members and renewals. If a producer has requested a refund during the last year, the request must include a grain sales receipt for at least $125 ($50 for one year) on which a refund has not been requested. Non-producers who fail to meet the above criteria, can complete the application and enclose a check for $125 (3 years) or $50 (1 year).

If you have any questions please contact Lynne Hoot at 410-956-5771 or email lynnehoot@aol.com.

MARYLAND GRAIN PRODUCERS UTILIZATION BOARD

To use grain checkoff funds to become a member of the Maryland Grain Producers Association (MGPA), complete the following. Please print or type.

Member's Name _____ Membership in (check one) Name ____ Company ____

Farm/Co. Name _____ Farmer (Check if yes) ____

Spouse's Name _____

Home Phone (_____) _____ Business Phone (_____) _____

Address _____

City/State/Zip _____

Total Farm Acres _____ In Corn_____ Wheat_____ Barley_____ Oats_____ Milo_____ Canola_____

County _____

Do you wish to receive information from: National Corn Growers Association? Yes_____ No_____
National Association of Wheat Growers? Yes_____ No_____

Email address _____

Referred by MGPA Member _____ (optional)

This is a partial refund form for grain checkoff to pay MGPA membership dues only.

3 years_____ 1 year_____ New_____ Renewal_____ Member Record No._____

I hereby certify that I am a bona fide grain producer and that I contribute a minimum fof $125.000 to the checkoff program in a 3-year period (a minimum of $50 for a 1-year membership).

Signature _____ Date _____

Please return the completed form to: MGPUB, 53 Slama Road, Edgewater, MD 21037-1423

At the Assembly

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It establishes priority preservation areas for Ag land preservation and an internship program at UMD, and expresses a desire for adequate funding for MAERDAF, MACS, MALPF, Ag Marketing at MDA, and the Link Deposit program. The bill serves as a message from the legislature to the Governor that adequate funding for these ag related programs is to be provided. It is now up to the Governor to include the appropriate funding in the FY 2008 budget.

✓ Legislation passed calling on the state to use 5% biodiesel in 50% of the state-owned diesel vehicles unless expressly prohibited by the manufacturer.

✓ The Maryland Cost Sharing Program was amended to increase the per project maximum cost for MACS projects from $75,000 to $100,000 starting July 1, 2006. The specific bmp caps and the maximum per farm are established by regulation.

✓ Legislation to allow the Maryland Department of Agriculture to hire farmers failed in the Senate and was opposed by the Ethics Commission who voiced concern that it would be a conflict of interest to allow farmers to write soil conservation plans for other farmers. This legislation will be brought back again next year.

✓ Sunday hunting will now be allowed in Anne Arundel and Montgomery Counties as well as those counties already listed.

✓ Approximately 70 bills were introduced addressing eminent domain, but none passed. The issue will return next session.

✓ The Department of Health and Mental Hygiene will now hire an ag ombudsman to deal with health department issues.

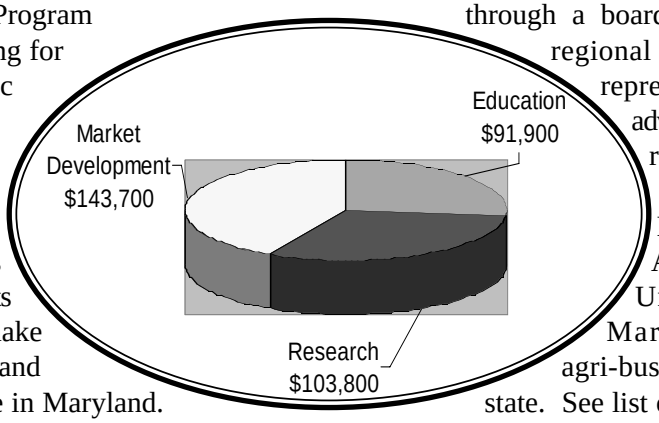
✓ Legislation passed that in the case of a complaint against a farmer, use of mediation is required through the county or state mediation program if no county program exists. The cost to file corporate tax filing forms with the state for family farms will now be reduced from $300 to $100.

✓ The Maryland estate tax was amended marginally to increase the amount of the federal credit used to calculate the Maryland estate tax.

YOUR CHECKOFF DOLLARS AT WORK

The Maryland Grain Producers Utilization Board (MGPUB) awarded nearly $340,000 to organizations across the state to increase the profitability of Maryland grain production, expand the utilization of grain, and to improve public understanding of agriculture using checkoff funds to support market development, education, and research. Grant funds are made available through the Maryland Grain Checkoff Program.

The Checkoff Program provides funding for projects specific to the needs of grain farmers. The funding comes from Maryland and is spent on projects to ultimately make farming easier and more profitable in Maryland. Should a producer choose not to paticipate in the program, there is a provision for a full or partial refund.



Funds from the 2005 harvest year were allocated to projects in the areas of Education, Research, and Market Development. MGPUB has been focusing on efforts to expand the new uses of grain to improve the profitability of grain production. New product development will continue to stabilize the grain market and increase demand. With the strong emphasis on energy nationwide, a majority of the funding was awarded to efforts that advance products such as ethanol and biodiesel.

The MGPUB administers the funds through a board consisting of regional grain farmer representatives and advisory members representing the Maryland Department of Agriculture, University of Maryland, and agri-businesses in the state. See list on page 2.

There are dozens of similar corn and small grain checkoff programs in place nationwide successfully bringing producers together to work on improving grower profitability.

☑ TAKE TIME TO VOTE!

Maryland Checkoff Referendum July 28

The referendum will be held from 9:30 a.m. - 3:45 p.m. at County Cooperative Extension Offices. Absentee ballots are available from Extension offices or the MGPA. To be eligible to vote, a person must be financially engaged in the growing of grain as an owner, tenant, or sharecropper.

If passed, the Maryland Grain Checkoff Program will continue for another five years from October 1, 2006. An assessment of 1/2 of one percent (.5%) will be collected on the net value of each bushel of grain sold. The checkoff is deducted at the first point of sale on all grain, with the exception of soybeans which are already under a national checkoff program. Any producer who does not wish to participate in the program can get a full or partial refund upon written request sent to the Maryland Grain Producers Utilization Board (MGPUB), which administers the program.

The checkoff program is a 15-year-old self-help promotion program, which allows all producers to combine their funds to support market development, research and education to improve profitability of grain production.

***Kids Growing with Grains** - $1,800*
This program provides Washington County 4th graders a hands-on learning experience at the Western Maryland Research and Education in Keedysville, Maryland. Students learn about grain production, utilization and importance of grain products for good health.

***Kids Growing with Grains** - $2,850*
An extension of the Washington County program, this grant is for 4th grade students in Frederick County. Students are predominantly from inner-city schools and this activity is primarily their only hands-on link to agriculture.

***Kids Growing with Grains and Animals, Too!** - $1,000*
This Western Maryland program enables inner-city 4th graders to have a hands-on agricultural experience. Activities include a wagon tour of a farm discussing planting, growing and harvesting grains, the food and non-food uses of corn, farm animals and the food chain, and health benefits of whole grain products.

***All About Grains** - $750*
Funds provide for over 500 youths to participate in Caroline County 4-H agricultural awareness classes, two "Progressive Farmer Farm Safety Day Camps" reaching over 300 youth, and the purchase at six elementary schools of reading books about farming practices and the impact that framing plays in students daily lives

***Close Encounters with Agriculture** - $2,000*
This program designed for 4th grade students will have approximately 3,000 students, parents and teachers participating in an eleven-day program emphasizing agriculture production, the environment and nutrition. Participants will gain knowledge of grains grown in the state, how farmers protect the environment and the importance of grain products in their diet. Teaching packets with learning activities and a field trip to the Farm Park are part of the program.

***Maryland Envirothon** - $4,000*
A well rounded, year long, environmental education program, with emphasis on knowledge of renewable and non-renewable natural resources, ends in a final competition in June for approximately 900 high school students. By having natural resource professionals conduct the testing and training, students receive information on career opportunities in this field.

Education funding represents 27% of the total checkoff grant funding. Education projects reach thousands of Maryland students in the classroom, and multitudes of people in the state and region to promote the agricultural industry and use of grain in Maryland.

***FFA Agricultural Education Programs** - $4,000*
Sponsorship of leadership workshops, career development events, and career and personal development opportunities enhance the education and development of Maryland youth enrolled in FFA agricultural education programs.

***Maryland Agricultural Education Foundation, Inc**. - $6,000*
The Maryland Agriculture Showcase and three traveling science labs enable students, teachers and the public to interactively learn about Maryland Ag products, biotechnology, food and fiber, and aquatic science. Funding also supports the Maryland Ag on the Move initiative, which develops state-specific resources to educate citizen about Maryland agriculture.

***Maryland's Agricultural Leadership Development Program** - $15,000*
Realizing the importance of rural and agricultural leaders in our community, MGPUB continues to supports the LEAD Maryland program, providing candidates learning opportunities on local, state, and national levels to aid them in seeking solutions and communicating in ways to enhance the future of Maryland agriculture.

***National Agriculture Day** - $500*
National Agriculture Day raises Americans' awareness of how food and fiber are produced and celebrates the contribution agriculture makes to our daily lives through their development and distribution of Ag Day materials and tools including a website, media and classroom resources, Ag Day Poster, Planning Guide and Fact Cards.

***Bunny Burkett Racing Team** - $8,000*
Bunny's Funny Cars #1 and #2 utilizing ethanol are a frequent site at County and State Fairs and on the racing circuit. The use of the ethanol logo on their race cars, trailer, uniforms, and website further the education of the general public about the production process and virtues of ethanol.

***Wheat Foods Council** - $5,000*
Wheat Foods Council promotes positive messages about grain foods in the diet. They train dietetic professionals to use appropriate messaging and create innovative promotional tools that aim to impact consumer behavior on the importance of wheat-based foods for good nutrition.

***WETEC** - $2,000*
The Wheat Export Trade Education Committee engage in educational, research and lobbying activities that support the priorities of Maryland wheat producers on fair trade agreements.

***Ethanol Issues Briefs** - $3,500*
Ethanol Issue Briefs promote ethanol as an alternative fuel, an economic booster, and an environmentally-friendly product. This grant will support the development of the third issue of informational briefs.

***Statewide Grain Marketing Educational Program** - $4,000*
Realizing that smart marketing of grains enables Maryland farmers to increase net income, MGPUB will help sponsor two grain marketing workshops to teach farmers how to avoid common mistakes in grain marketing and key elements of a pre-harvest marketing plan. It will also support six regional grain marketing workshops to revitalize producer's interest in grain marketing programs and clubs in Maryland.

State Corn Hybrid Test: Inclusion of Benchmark Hybrids *- $1,500*
Since some seed corn companies have a policy not to enter any hybrids into University-coordinated hybrid testing programs, a gap in the availability of unbiased performance information of some popularly grown corn hybrids exists. Since 2001 MGPUB has provided funding support to ensure that representative hybrids commonly grown in Maryland are included as check hybrids in the annual corn variety testing programs providing growers with more meaningful yield comparisons information.

Control of Perennial Weeds in Corn *- $5,660*
Funding from MGPUB to the Department of Natural Resource Sciences and Landscape Architecture, UM, will support research to couple new products like 2, 4-D, Banwel or Roundup with conventional and genetically engineered corn hybrids to provide a cost effective and useful weed management program for the farmer with perennial broadleaf weeds.

Improving the Efficiency of Surface Applied Poultry Manure in Notill Corn Production *- $5,000*
This is the second year of a three-year study designed to supply information to farmers and others in the Mid-Atlantic Region who are trying to find a tillage method with minimum soil and residue disturbance to improve nitrogen efficiency of surface applied poultry manure in notill corn production.

Application Timing of Herbicide for Maximum Efficiency & Yield *- $4,000*
A three year study is evaluating either late fall, early and late spring, and a fall and spring application of Harmony Extra herbicide on barley and wheat fields to control many winter annual weeds, including Canada Thistle and Vetch. Ron Mulford, the primary investigator, will look at wheat grain yields evaluating different application rates, application timings and application of the Harmony Extra in a fertilizer solution or water.

Management and Selection of Hulless Barley *- $5,000*
This three year project aims to identify hulless barley varieties that have the best genetic potential to maximize yield and starch production. Additionally, they will develop nitrogen management recommendations for hulless barley that are agronomically sound and cost-efficient for the farmer, and determine optimum planting dates and seeding rates that will become best management recommendations for hulless barley production.

Genetic Improvement and Testing of Small Grains for Maryland *- $20,000*
An ongoing project to increase the quality and the number of new varieties of high yielding, disease resistant small grains, this project will continue its tests on several hulless barley trials, a new soft, red winter wheat variety (Chesapeake) with high yield, high test weight, and excellent resistance to powdery mildew in tests, in addition to two white wheat lines with potential as specialty wheat. Tests also continue on select wheat lines with scab resistance.

Research is the cornerstone of improving crop production to not only address growing issues, but to develop new varieties and uses for crops, and improve efficiency on the farm. 31% of grant funding is allotted to research projects.

Utilizing Conservation Tillage to Minimize Nutrient Losses *- $25,000*
Field sites will be established to demonstrate that commercially available conservation tillage technology can be successfully used to partially incorporate poultry litter in reduced tillage grain production systems, preserving surface residue and soil conservation conditions, while reducing nitrogen and phosphorus losses in surface runoff and atmospheric ammonia emissions.

Evaluation of Tests in Corn for Predicting Fall Nitrogen Requirement for Winter Wheat *- $9,000*
Field comparisons will be conducted using three tests on previous corn crops to determine their potential as a tool for predicting fall nitrogen requirements for wheat planting in the fall.

Development of Hulless Barley as a Value-added Crop *- $5,000*
MGPUB supports the continual research in the development of a hulless variety of barley that has a lower concentration of fiber, reduced phytic acid and higher metabolizable energy bringing its feed value closer to that of wheat and maize.

Control of Weedy Grasses in Small Grains *- $5,660*
Some weedy grasses continue to escape conventional control practices in both wheat and barley. This grant provides additional testing toward developing a cost-effective, sound weed management program for the control of Italian ryegrass, annual bluegrass, rough-stalk bluegrass, bromegrass and bulbous oatgrass in small grains. The approach is to screen new herbicide candidates, examine new technologies, provide necessary data to the agrochemical industry, seek state labels for use of said products and promote these practices through tours, field days, Extension Bulletins and winter meetings.

Evaluation of Wheat Variety Resistance to Wheat Spindle Streak Mosaic Virus *- $5,000*
An ongoing project, this research aims at finding varieties of wheat that are resistant to the Spindle Streak Mosaic Virus, testing them and relaying their resistance information to producers. Only a few seed companies have any information on resistance of their varieties to these viruses. The project will work to develop a reliable, controlled resistance screening procedure.

Enhancing Maryland-Grown Wheat Consumption for Health Promotion and Disease Prevention *- $9,000*
University of Maryland Food Scientist Lucy Yu will research soft wheat varieties rich in antioxidants for preparing value-added functional foods for health promotion. This research will determine the possible COX-2 inhibitory components in Maryland grown soft wheat varieties to promote their utilization in reducing risk of cancer and inflammation.

Wheat Fusarium Head Blight Fungicide Evaluation *- $4,000*
Scab, or Fusarium head blight, affects wheat by causing sterility of flowers, reducing seed weight and infecting the seed. In 1998 a Uniform fungicide trial was conducted providing data on efficacy of five products reducing FHB when applied at heading. This study done by Dr. Grybauskas at UMD would obtain data on the timing of the application. What happens if an application gets delayed by a few days, and can late heading applications be as effective as those applied at early flower.

Call for Applications:

2007 MGPUB Grant Applications due December 1, 2006

Contact Lynne Hoot at 410-956-5771 or visit www.marylandgrain.com for grant application form and submission details

Assisting Maryland farmers to have a more economically feasible operation through expansion of existing markets and development of new markets is a primary goal of grant funding. Marketing represents the largest category of funding at 42%.

E85 Marketing and Infrastructure Development *- $15,125*
Sustainable Energy Strategies Inc works directly with the alternative fuels industry, primarily on ethanol, biodiesel and propane issues. They assist local dealerships, station owners and fuel distributors with fueling and infrastructure contracting, tax and technicial related questions. They will work with MGPUB to further promote increased agricultural profitability and sustainability through the use of high level blends of ethanol.

Oil Seed Crushing & Biodiesel Processing Facility Feasibility Study *- $7,500*
MGPUB support will help fund a feasibility study to determine the viability of constructing an oil seed crushing and bio-diesel processing facility in central Maryland. Windridge Farms plan on using three additional feedstock supplies (rapeseed, corn germ and animal renderings) to supplement their proposed soybean crushing operations.

National Barley Growers Association *- $1,473*
NBGA is the national organization looking out for the barley growers across the nation. Their future priorities include preparation for the 2007 Farm Bill, acceptable outcome in the ongoing Doha Development Round negotiations, reforming crop insurance, accelerating pesticide registrations, conservation funding for working lands and competitive transportation system and improved service.

National Corn Growers Association *- $63,000*
Cooperation with other states through NCGA allows MGPUB to combine resources and provide a strong voice nationally for issues of importance to the corn industry. Current items of focus include ensuring the ethanol RFS is implemented in a timely and effective manner, work toward monitoring Missouri River transportation issues, lock modernization, availability of rail cars, and work on NCGA's farm bill recommendations.

U.S.Grains Council *- $25,000*
The Council is the only organization dedicated to building export markets specifically for U.S. grains. They market barley, corn and sorghum internationally. State checkoff funds from the 24 supporting programs are used to leverage federal market development and industry funds to expand overseas markets. Key priorities for 2006 include representing grain producers in trade agreement talks with countries such as Colombia, Peru and Thailand, educating international and foreign national policy makers on the science-based information of agriculture biotechnology, staff member promoting DDGS world-wide through feeding trials.

Maryland Grain Producers Association *- $63,000*
MGPA services to MGPUB include:
> Dissemination of informational newsletters and press releases.
> Host the *www.marylandgrain.com* website to promote expansion and utilization of grain and grain agriculture.
> Conduct the *Maryland Commodity Classic* on the fourth Thursday of July, an annual meeting to promote MGPUB functions.
> Adminster a scholarship program to provide financial support to students interested in pursuing an agriculturally-related career.
> Coordinate a Speakers Bureau to raise awareness of agriculture by having agricultural professional speak at civic organizations.

The Maryland Grain Producers Association and the Maryland Soybean Board invite you to the

Thursday, July 27, 2006

8th Annual Maryland COMMODITY Classic

Queen Anne's 4-H Park

Route 18 between Queenstown & Centreville

9:00 -10:45 a.m.	**Wagon Tours**, Wye Research & Education Center, Queenstown See Maryland Soybean Board and Maryland Grain Checkoff funded Research
11:00 a.m.	**Registration Opens**, 4-H Park Visit Commercial Exhibits, Checkoff Exhibits & Agency Exhibits
Noon	**Lunch Available** from 4-H Club
1:00 p.m.	**Business Meeting**
2:00 p.m.	**A Cornucopia of Current Issues** *Ethanol in the Region* *Soybean Crushing and Biodiesel* *Soybean Rust Update* *National and Regional Trends in Grain Transportation*
3:45 p.m.	**Maryland Grain Checkoff Referendum** *Your Opportunity to Vote*
4:00 - 5:30 p.m.	**Crab Feast and Pork & Chicken BBQ**

Maryland Grain Producers Utilization Board and Maryland Soybean Board grant recipients will be on hand to discuss their projects, as well as board members to seek input and discuss individual questions about Maryland's Checkoff Programs.

TICKETS:

$10 each prior to 2:30 p.m.
$20 after 2:30 p.m.
(no entry to event after 3:30 p.m.)

Complementary tickets are provided to members of the Maryland Grain Producers Association - see page 11 for membership information.

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