

Montana Grain Growers Association

2017 Policy Resolutions

As approved by MGGA Membership on 12-1-16



FARM POLICY

Farm policy should allow producers to receive income from the marketplace while, when necessary, providing an economic safety net to maintain rural economic stability. It should allow cropping flexibility, discourage the buildup of grain stocks, and provide de-coupled economic assistance. MGGA's farm policy committee will continue to review and develop options for long-term ag policy.

1. MGGA opposes diversion of commodity title funding to alternate programs.
2. MGGA opposes a farmer-owned grain reserve.
3. MGGA opposes the release of US Wheat reserves from the Emerson Trust without full and immediate public disclosure and timely replacement of released stocks. *(2008)*
4. MGGA supports maintaining the worker's compensation fund as a state program.
5. MGGA supports continued separate person determination regardless of spousal or corporate affiliation.
6. MGGA supports indexing payment limits to an annual FAPRI (Food and Agricultural Policy Institute) cost of production index.
7. MGGA supports the development of individual risk management accounts. *(Retained 2009)*
8. MGGA supports "actively engaged" definitions that facilitate farm transfer. *(New 2009)*
9. MGGA supports the stated goal of paperwork reduction by NRCS (Natural Resources Conservation Service). *(New 2009)*
10. MGGA supports the direct payment in concept and principle. *(Renewed 2015)*
11. MGGA opposes linking conservation compliance to crop insurance program participation. *(Renewed 2015)*
12. MGGA opposes a farm program pricing mechanism that is market distorting. *(New 2011)*
13. MGGA opposes government agencies competing in sales of private agricultural properties. *(New 2012)*
14. MGGA shall enter agricultural private property rights discussions at the discretion of a majority vote of the board of directors. *(New 2012)*
15. MGGA supports 'Right to Farm and Ranch' legislation. *(New 2012)*
16. MGGA supports a guest worker program that secures the borders of the US and provides a legal, affordable and stable workforce for agriculture. *(New 2013)*
17. MGGA encourages the Department of Labor and other regulatory agencies to reduce and eliminate cumbersome and excess regulations that make the H2A and other employment programs unusable for the agricultural industry. *(New 2015)*
18. MGGA supports the USDA Beginning Farmer Programs at or above current funding levels. *(New 2014)*
19. MGGA recommends Montana's current livestock "open range" laws be reviewed and updated to fully recognize private property rights and property ownership responsibility to reflect current times. *(New 2015)*
20. MGGA supports using RMA and FSA NAP data as the primary production data for use in ARC-CO and ARC-IC calculations. *(New 2016)*
21. MGGA supports Title I programs in concept and principle and also the option to choose which program to be enrolled in. *(New 2016)*
22. MGGA supports crop reporting districts within counties for the ARC-CO program. *(New 2016)*
23. MGGA supports ARC-IC in concept and principle. *(New 2016)*
24. MGGA supports the retention of historic base acres in future Farm Bills. *(New 2016)*
25. MGGA supports the concept of the department of state lands adopting cash leases for all agricultural cropland. *(New 2016)*

INTERNATIONAL POLICY

The U.S. must have an aggressive export policy aimed at capturing world wheat and barley markets. Our government must concentrate on trade policy that enhances our competitiveness in world markets.

1. MGGA supports legislation to eliminate unilateral food sanctions.
2. MGGA supports preserving and expanding export credit and food donation programs under current World Trade Organization agreements.
3. MGGA supports maintaining in-kind humanitarian food aid. *(2008)*
4. MGGA supports eliminating barriers and any US import tariffs which restrict US ag producers' access to worldwide crop inputs.
5. MGGA supports providing reciprocal research, registration and regulation of crop protection and biotech products between the US and other countries.
6. MGGA supports full and immediate free trade of functionally equivalent crop protection compounds.

7. MGGA urges the development of new and creative export programs that provide a way to compete with subsidized sales and unfair currency adjustments from foreign countries.
8. MGGA supports World Trade Organization harmonization of trade distorting subsidies to a percentage of total ag production. We support the elimination of export subsidies and export restrictions. Export state trading enterprises should be forced to operate at risk of the market on a voluntary and transparent basis.
9. MGGA calls on US trade negotiators to preserve total domestic farm program spending at no less than authorized in the 2014 farm bill while recognizing the importance of moving toward less trade distorting programs. *(Revised 2015)*
10. MGGA vigorously defends the right of US producers to maintain minimally trade-distorting programs that allow U.S. producers to remain competitive in spite of environmental pressures and competing land uses.
11. MGGA supports continued cooperation among grain producers, the Montana Wheat & Barley Committee, merchandisers, and transporters to expand Montana wheat and barley markets.
12. MGGA urges the development of markets for biotech crops with customer demand and acceptance. This should be a cooperative effort between consumers, producers, agribusiness and government.
13. MGGA supports the creation of trading structures to preserve the identity of wheat and barley varieties and region or origin, according to the needs of our customers.
14. MGGA supports legislation to overturn the OFAC (Office of Foreign Asset Control) policy of "cash payment in advance" as it relates to trade with Cuba.
15. MGGA supports reciprocal trade between Canada and the US including reciprocal grading and sanitary/ phytosanitary standards of wheat and barley. *(Revised 2014)*
16. MGGA supports maintaining Trade Promotion Authority. *(Revised 2015)*
17. MGGA supports legislation expanding trade and travel with Cuba. *(Modified 2011)*
18. MGGA urges the US Trade Representative and Foreign Ag Service to pursue aggressive enforcement of existing bilateral and unilateral trade agreements and WTO accession obligations. *(Revised 2016)*
19. MGGA supports the Trans Pacific Partnership (TPP) agreement and its principles, with lower tariffs, increased market access, establishment of uniform rules-based trading, and a rapid dispute settlement option. *(Revised 2016)*
20. MGGA supports the US Trade Representative and USDA Foreign Ag Service WTO case against China's illegal agricultural subsidy programs. *(New 2016)*
21. MGGA supports NAFTA and the benefits that NAFTA and its record breaking Ag exports to Canada and Mexico year around, affordable horticulture products, and Mexico's emergence as one of our largest consistent customers of wheat and wheat products and our largest customer for malting barley and barley malt. *(New 2016)*

RISK MANAGEMENT

Current crop insurance programs need to provide adequate risk management for producers. Crop insurance reform must provide producers an acceptable level of risk management at an affordable cost for all crops. *(Revised 2009)*

1. MGGA supports an inverted premium subsidy system that provides higher subsidies at the higher coverage levels.
2. MGGA supports continued improvement of revenue insurance products. *(2008)*
3. MGGA supports 'T yields' that more accurately reflect actual yields in a production area excluding years of declared disaster. *(2008)*
4. MGGA supports an increase in the 'T yield' plug to 85%.
5. MGGA supports the separation of spring wheat, durum and winter wheat for crop insurance policies.
6. MGGA supports the separation of crop practice (CC-continuous crop or SF-summer fallow) for optional unit structure on the same crop for indemnity payments. *(Revised 2009)*
7. MGGA supports the continuation of the winter coverage endorsement option crop insurance coverage.
8. MGGA supports implementation of adjustment yield losses of 90% or more to be paid at 100% for all crop insurance.
9. MGGA supports changes in crop insurance regulations to allow irrigated producers to maintain irrigated coverage in times of drought-caused reductions in available irrigation water. *(Revised 2009)*
10. MGGA urges the use of quality adjustment factors that more accurately reflect market discounts.
11. MGGA recommends that prevented planting be a separate option with its own premium.
12. MGGA supports producers in counties under disaster declaration by the Secretary of Agriculture to have the option to exclude that year's production from APH (Actual Production History).
13. MGGA supports the preservation of optional crop insurance unit structures.
14. MGGA supports Risk Management Agency coverage of grain crops that are harvested for hay.
15. MGGA supports Risk Management Agency coverage that more accurately reflects contract price for seed stocks and specialty crops that are contracted through a licensed merchandiser or seed dealer.
16. MGGA supports a forage policy closing date and reporting deadlines that more accurately reflect the season in which the crop is planted. *(New 2013)*
17. MGGA supports the producer's right to accept or reject Risk Management Agency administrative policy changes implemented after the sign-up date for that current year.
18. MGGA challenges the use of inequitable "pack factors" in determining grain volumes for crop insurance purposes.
19. MGGA requests an advance of no less than 75% of estimated indemnities in disputed and audit cases. *(Revised 2009)*

20. MGGG opposes any automatic indemnity audit trigger. *(Revised 2010)*
21. MGGG supports Risk Management Agency crop loss coverage on all fire related losses. *(New 2009)*
22. MGGG opposes the reduction of crop insurance subsidies and also opposes premium subsidy and payment caps.
23. MGGG opposes means testing for federal crop insurance eligibility.
24. MGGG seeks enforcement of legislation for segregated commodity traded funds to be protected and remain segregated. *(New 2011)*
25. MGGG opposes a producer funded elevator indemnity pool. *(New 2011)*
26. MGGG supports inclusion of information in grain purchase contracts which details the availability of bonding or insurance on deferred payment agreements. *(Revised 2012)*
27. MGGG supports changes to the federal bankruptcy law to protect a producer's security interests. *(New 2012)*
28. MGGG supports a provision to allow the transfer of existing APH databases if all involved parties agree. *(New 2013)*
29. MGGG supports reforming multi-peril crop insurance (MPCI) quality loss adjustments for weather and disease related losses to reflect a change in market price instead of reducing production quantities by factors that do not reflect the current market. *(New 2014)*
30. MGGG encourages the Risk Management Agency to adopt the Farm Service Agency definition of Beginning Farmer. *(New 2014)*
31. MGGG supports the Montana State Hail Board retaining a two-year loss reserve. *(New 2014)*
32. MGGG supports Risk Management Agency adoption of a separate quality loss discount schedule for DHV in spring wheat. *(Revised 2016)*
33. MGGG supports developing a separate quality loss endorsement for small grains crop insurance. *(New 2016)*

RESEARCH & UTILIZATION

Research should be directed at providing maximum economic value of ag products and cutting edge technology to producers. This commitment must be focused on producers competing in world markets, equipping them with tools to add value to the commodities, and protecting our environment.

1. MGGG supports federal, private and other funding of an accelerated research program for the control of sawflies, wheat blossom midge and other detrimental insects in Montana including a parasite implementation program.
2. MGGG supports research of out-crossing of biotech plants into crops and weeds and the determination of a reasonable threshold for adventitious or accidental presence of bio-tech traits in non-biotech crops. *(Revised 2009)*
3. MGGG endorses the joint National Association of Wheat Growers/US Wheat Biotechnology Position Statement. *(Revised 2009)*
4. MGGG supports the draft statement of Canadian, American and Australian organizations *(June 5, 2014)* on the release of biotech/genetically modified wheat.
5. With respect to glyphosate tolerant wheat, MGGG strongly encourages biotech providers to introduce the crop with volunteer control packages that are readily available and at least as cost effective as current generic glyphosate production systems. *(Revised 2014)*
6. MGGG supports research aimed at improving and increasing the end uses of Montana wheat and barley, including research utilizing ag biotechnology.
7. MGGG supports promotion, research and expansion of Montana bio-based products.
8. MGGG supports increased research for farm grown biofuel and lubricants. *(2008)*
9. MGGG supports research for higher value crops including industrial and non-food uses.
10. MGGG supports a base budget increase for MAES (Montana Ag Experiment Station). *(Revised 2014)*
11. MGGG supports MSU Extension programs to better transfer technology from MAES (Montana Ag Experiment Station) and the MSU (Montana State University) system to Montana producers. *(Revised 2016)*
12. MGGG supports research and education to develop new control methods for herbicide resistant weeds and problem grassy weeds. *(Revised 2014)*
13. MGGG supports the exploration and production of commercial fertilizer in the US. *(2008)*
14. MGGG supports increased research and education for farm produced green manure and other fertility systems which can replace commercial fertilizer.
15. MGGG encourages the food services entities of the Montana University System and other state agencies to buy Montana grown and/or processed foods when possible and in an equitable manner.
16. MGGG supports the Montana Wheat & Barley Committee and their activities and mandates that the appointment of director(s) shall be from candidates recommended by at least one of these organizations: the Montana Grain Growers Association (MGGG), the Montana Farm Bureau Federation (MFBF), the Montana Farmers Union (MFU), or the Women Involved in Farm Economics (WIFE). *(New 2014)*
17. MGGG recommends that the executive director and staff of the Montana Wheat & Barley Committee be hired by the Montana Wheat & Barley Committee.
18. MGGG recommends that the Montana Wheat & Barley Committee have complete budgetary control over the assessment money.
19. MGGG supports the Montana State Grain Lab, including policies that will make the State Grain Lab sustainable. *(2008)*

20. MGGA supports the Montana State Seed Lab, including policies that will make it sustainable. *(2008)*
21. MGGA supports funding for the Montana State University Schutter Diagnostics Lab. *(New 2012)*
22. MGGA encourages filling all vacancies in the Montana Ag Experiment Station (MAES) system. *(New 2013)*
23. MGGA supports the endowed chair for plant science at Montana State University. *(Revised 2015)*
24. MGGA opposes a national wheat checkoff but encourages complete discussion by all concerned parties. *(New 2014)*
25. If a national wheat checkoff is imposed, MGGA supports giving control of all funds raised within Montana's borders to the Montana Wheat & Barley Committee. *(New 2014)*
26. MGGA supports MSU plant breeding and development programs capturing significant market value from the commercialization of any varieties or intellectual properties released to the public or licensed to private industry and the return of all proceeds to the plant development program. MGGA encourages MSU to pursue a framework of variety release that meets that goal. *(New 2015)*
27. MGGA strongly encourages transparency in the MSU tech transfer process. *(New 2015)*
28. MGGA supports the expansion of agricultural research and education within the Montana University System. *(New 2015)*
29. MGGA supports separate state funding specifically for long range building for Montana Agricultural Experiment Station. Once funding is allocated, MAES will have complete budgetary control. *(Revised 2016)*
30. MGGA supports any farm data that is generated on the farm belongs to the farm operator. *(New 2015)*
31. MGGA supports credible climate research. *(New 2015)*
32. MGGA supports the development and research of proactive management strategies for noxious weeds and invasive plants that are known or thought to present a problem. *(New 2016)*
33. MGGA supports the retention of the insect unit at the USDA Ag Research Service Lab in Sidney. *(New 2016)*
34. MGGA opposes county or local governments having the power to regulate the cultivation, registration or labeling of seeds. *(New 2016)*

ENVIRONMENTAL

1. MGGA encourages approaching environmental problems and concerns through education and cooperation. *(Revised 2010)*
2. MGGA opposes environmental mandates by government agencies that are detrimental to production agriculture operations. *(New 2010)*
3. MGGA supports fair and objective implementation of the Food Quality Protection Act that requires the Environmental Protection Agency to base re-registration of pesticides on actual use data.
4. MGGA believes the burning of residue on agricultural fields is a local issue and should not be regulated by the Environmental Protection Agency or the US Department of Agriculture.
5. MGGA opposes net expansion of Conservation Reserve Program acreage. All conservation practices relating to CRP should be production-based programs. *(Revised 2016)*
6. MGGA urges limiting acreage on all new Conservation Reserve Program contracts to no more than 25% of total cropland acres of any owner.
7. MGGA supports Conservation Reserve Program rental rates that are reflective of cash rental rates in any given area.
8. MGGA supports individual counties to reserve 1 to 5% of the available acreage each signup period for Conservation Reserve Program continuous sign-up proactive before the 25% cap is reached.
9. MGGA supports the implementation of biomass fuel crops on Conservation Reserve Program acres with a reduction of Conservation Reserve Program payments.
10. MGGA supports re-establishment of lost crop base acres on Conservation Reserve Program acres providing the land goes back into agricultural production. *(Revised 2014)*
11. MGGA supports monitoring Conservation Reserve Program ranking criteria. *(Revised 2009)*
12. All new conservation programs should offer credit to producers for practices already implemented.
13. MGGA supports full funding and full implementation of the Conservation Stewardship Program. *(New 2009)*
14. MGGA supports local input from producers on new CSP enhancements. *(New 2014)*
15. MGGA supports allowing local Natural Resources Conservation Service officials to permit deviations on a case by case basis within the confines of a Conservation Stewardship Program contract in an effort to address localized problems in a cost effective way.
16. Payment eligibility requirements as recognized by the Farm Service Agency should also be accepted by Natural Resources Conservation Service programs.
17. MGGA opposes the listing of the prairie dog and the sage grouse as a threatened or endangered species.
18. MGGA supports research into cost effective and environmentally safe ways of controlling burrowing pests.
19. MGGA encourages the control of all weeds on transportation right of ways and recreation access sites. *(Revised 2016)*
20. MGGA supports increased technical assistance and incentive-based water quality programs that are administered at the local level to meet Total Maximum Daily Load requirements.
21. MGGA supports retaining the word "navigable" or other wording that protects ag interests such as, but not limited to property rights, in the Clean Water Act. *(New 2009)*

22. MGGA is opposed to any climate change legislation until it can be assured that production agriculture will not be put in a negative economic position. (ie – costs in excess of potential income from carbon sequestration) Furthermore, MGGA believes that other major carbon emitting countries should be participating in similar greenhouse gas regulation so as not to put the American farmer at a disadvantage in the global marketplace. Finally, if any climate change legislation is enacted, the US Department of Agriculture should be the controlling authority to promulgate and administer the programs to the producers. *(New 2009)*
23. MGGA opposes EPA (Environmental Protection Agency) regulation of dust from common agricultural practices and county roads. *(Modified 2011)*
24. MGGA opposes expansion of EPA regulation beyond current FIFRA (Federal Insecticide, Fungicide, and Rodenticide Act) regulation of pesticides. *(New 2010)*
25. MGGA supports maintaining the renewable fuel standards mandate. *(New 2011)*
26. MGGA opposes Spill Prevention Control and Countermeasure (SPCC) regulations for agricultural operations. *(Revised 2013)*
27. MGGA opposes free roaming bison/buffalo in the state of Montana. *(New 2012)*
28. MGGA supports exempting USDA contracts from requiring enrollment in the System for Award Management (SAM). *(New 2013)*
29. MGGA supports full implementation of Conservation Stewardship Program PTL19 enhancement with the exception of the #2 criteria Soil Tillage Intensity Rating (STIR) factor. *(New 2014)*
30. MGGA supports the creation of Natural Resources Conservation Service (NRCS) county producer committees with similar authority to those used by the Farm Service Agency (FSA). *(Revised 2016)*
31. MGGA opposes the Waters of the United States (WOTUS) rule. *(New 2015)*
32. MGGA supports MSU Extension retaining responsibility for coordination of the private pesticide applicator certification and training program. *(Revised 2016)*
33. MGGA opposes the proposed increase of EPA regulations on private pesticide applicator training. *(New 2015)*
34. MGGA supports full funding of the MSU Extension Pesticide Education Program. *(New 2016)*
35. MGGA supports individual voluntary conservation enhancement and opposes increased, mandated conservation practice participation in Title 1, Federal Crop Insurance or other federal farm programs. *(New 2016)*

TAXES

1. MGGA supports extending the \$500,000 residential capital gains exemption to include agricultural farmsteads.
2. MGGA supports increasing the Section 179 deduction to \$1,000,000 with a \$2,000,000 cap. *(New 2013)*
3. MGGA supports the elimination of the Montana business equipment tax on agricultural equipment. *(2008)*
4. MGGA will participate in the discussion of state taxation options for the purpose of a more equitable tax system.
5. MGGA supports representation at the state legislature in the event of tax reform strategy proposals to see that agriculture interests are treated fairly.
6. MGGA Grain News and website will report information on current agricultural tax issues.
7. MGGA supports maintaining a depreciation (cost recovery system) which preserves a single purpose agricultural building classification and also qualifies these structures for Section 179. *(Revised 2016)*
8. MGGA opposes imposition of accrual accounting on agricultural enterprises. *(New 2013)*
9. MGGA supports the deductibility of an employer's health insurance premium and medical expenses paid on behalf of employees as a business expense on its tax return. *(Revised 2016)*
10. MGGA is opposed to the taxation of health care benefits for employees.
11. MGGA supports the immediate deductibility of repairs and maintenance for taxation purposes.
12. MGGA supports federal tax legislation or other actions that would invalidate the proposed and/or final treasury regulations that prohibit or limit the use of minority ownership or lack of marketability discounts for valuation of closely held/family held business interests. *(New 2016)*

TRANSPORTATION

MGGA recognizes that an efficient, affordable, and accessible transportation system is essential to the economy of Montana. MGGA will work to improve all modes of transportation that affect trade and provide services to Montana agriculture.

RAIL:

1. MGGA supports total access to the Canadian rail system.
2. MGGA will support legislation that allows competitive access to rail lines to create competition for captive rail shippers.
3. In the event of a rail right-of-way abandonment, MGGA supports the concept of requiring rail property to be offered for sale first to adjacent landowners at certified appraised fair market value.
4. MGGA supports expanding and improving railroad infrastructure in Montana. *(Revised 2016)*
5. MGGA supports maintenance and expansion of intermodal services for ag products.
6. MGGA recommends that Congress require the Surface Transportation Board be more receptive to producer concerns. *(Revised 2009)*

7. MGGGA supports the development of spur lines to connect with the Canadian Pacific railroad.
8. MGGGA supports any attempt to reopen or reactivate defacto abandoned rail lines for commercial transportation by Class I or short line railroads.
9. MGGGA supports formal and informal mediation of rail freight issues with our rail carriers and arbitration of disputes when necessary, including continuation of the Alternative Dispute Resolution agreement between Montana wheat and barley producers and BNSF Railway. *(Modified 2012)*
10. MGGGA supports participation in the Ag Rail Business Council by Montana grain producers and BNSF Railway. *(New 2012)*
11. MGGGA supports grain producer representation on BNSF Railway's Customer Advisory Board. *(New 2012)*
12. MGGGA supports federal transportation legislation and other reforms that will provide reasonable rates and service. *(New 2009)*
13. MGGGA supports research into more efficient modes of transportation.

WATER:

14. MGGGA will work to maintain access to and maintenance of the Columbia/Snake Waterway.
15. MGGGA supports reform of the Jones Act and Cargo Preference laws.

TRUCK:

16. MGGGA supports standardization of trucking regulations between states and Canada for weight, length and oversize at no less than Montana standards. *(Revised 2012)*
17. MGGGA urges Montana Department of Transportation to maintain & improve farm to shuttle facility roads to handle increased loads and traffic.
18. MGGGA supports changes to the Federal Motor Carrier Safety Administration regulations so that the 150-mile radius producer exemption applies to all producers even when they cross governmental jurisdiction lines to market their produce. *(Modified 2011)*
19. MGGGA supports federal legislation that allows producers exemption from International Fuel Tax Agreement regulations for travel within 150-mile radius regardless of crossing governmental jurisdiction lines. *(Modified 2011)*
20. MGGGA opposes the \$10 overweight permit required while still within the 10% overage allowance on truck weight.
21. MGGGA supports a farm to market exemption from interstate commerce regulatory enforcement to allow the movement of a commodity from the farm gate to its first point of delivery. *(Revised 2015)*
22. MGGGA opposes single point driver's license hazardous materials endorsement processing. MGGGA supports expanded authority for the Montana Department of Motor Vehicles to process all hazardous materials licensing at every facility. *(New 2016)*
23. MGGGA supports Montana Department of Transportation adopting a visual dye inspection standard. *(New 2016)*

OTHER:

24. MGGGA supports legislation requiring the Federal Grain Inspection Service (FGIS) take whatever actions necessary to immediately restore official grain inspection and weighing service wherever and whenever it is disrupted. *(New 2014)*
25. MGGGA opposes any work slowdown or stoppage by international longshoremen that impedes the regular flow of grain from Montana to our customers. *(New 2014)*
26. MGGGA supports an agricultural exemption up to 36 inches from the Department of Transportation for the "Call before you dig" program. *(New 2016)*

ECONOMIC DEVELOPMENT

MGGGA recognizes that economic development in Montana includes strengthening the financial conditions of farm and ranch operations through ownership in value added enterprises. Therefore MGGGA supports programs that promote and enable farm and ranch ownership of value added enterprises.

1. MGGGA supports continued full funding and promotion of the Montana Office of Economic Development. *(Retained 2009)*
2. MGGGA supports the economic education program promoted by the Montana Council of Economic Education. *(Retained 2012)*

MEMBERSHIP

1. MGGGA will look for new member service opportunities.
2. MGGGA will continue education and information services through Montana MarketManager.
3. MGGGA will report annually or more frequently to its members the status of its resolutions implementation.
4. MGGGA will develop a process to survey members if there is a change in their membership status. Staff will do this on an ongoing basis. *(Revised 2012)*
5. MGGGA will continue to hold listening sessions.
6. MGGGA will continue to collaborate with other grower associations promoting Montana grown crops and livestock.
7. MGGGA supports young producer outreach. *(New 2011)*

BIOTECHNOLOGY POSITION STATEMENT

Adopted by USW, NAWG and WETEC, February 2006; point #5 amended October 2012

Biotechnological research holds great promise for the future, and the U.S. wheat industry recognizes these advancements. In preparation for the future commercialization of biotechnologically-derived wheat, we take the following positions.

1. We support and will work to ensure the ability of wheat producers to make planting and marketing choices based on economic, agronomic and market factors.
2. We support the ability of our wheat customers to make purchases on the basis of specific traits. We commit ourselves to the principle that our customers' needs are vitally important.
3. We support and will assist in the development by all segments of the industry of an orderly marketing system to assure delivery of non-transgenic wheat within reasonable tolerances to markets that require it.
4. We urge the adoption of a nationally and internationally accepted definition of biotechnologically-derived products.* We also urge international harmonization of scientific standards and trade rules.
5. We support voluntary labeling of food products derived from biotech ingredients provided it is consistent with U.S. law and international trade agreements and is truthful and not misleading. We oppose federal or state mandated labeling of products based solely on the method of production, including foods derived from biotech ingredients, if they do not differ materially from their non-biotech counterparts.
6. We support the establishment of a reasonable threshold level for adventitious or accidental inclusion of biotechnologically-derived traits in bulk wheat or wheat food products in both U.S. and international markets.
7. We are confident that biotechnology will deliver significant consumer and producer benefits and we support continued biotechnology research, and product and markets development. We invite valued and interested customers to join with us in a working partnership to explore the emerging biotechnology industry.

*U.S. Wheat Industry Definition of Biotechnologically-Derived (Genetically Modified Organisms)

"Genetically modified organisms (commonly referred to as "transgenic") are organisms derived from somatic cell fusion or direct insertion of a gene construct, typically but not necessarily from a sexually-incompatible species, using recombinant DNA techniques and any genetic transformation technology (e.g., bacterial vectors, particle bombardment, electroporation)."

BIOTECHNOLOGY PRINCIPLES OF COMMERCIALIZATION

Adopted by NAWG and USW, November 2008

The U.S. wheat industry recognizes the benefits and value which could be created within the wheat chain through the prudent application of modern biotechnology. U.S. wheat producers will support commercialization of transgenic wheat traits after thorough review and development of a commercialization plan that facilitates commercialization with minimal market disruption. We support the ability of our customers to make purchases based on their preferences for specific traits, classes, qualities and characteristics. We will work diligently to assure that commercially achievable customer preferences are met.

The U.S. wheat industry will support commercialization of transgenic wheat traits when:

1. The technology provider initiates an informative dialogue with the USW/NAWG Joint Biotechnology Committee (JBC) prior to submitting for regulatory approvals in the U.S. This dialogue will allow our organizations to initiate education and outreach activities to both domestic and international customers, and to provide the technology provider with practical information intended to facilitate commercialization with minimal or no market disruption.
2. Regulatory approvals for food and feed use must be secured in major wheat export markets that will be affected where a functioning regulatory system exists. Major export markets are defined as those which represent at least 5 percent of the normal export volume of U.S. wheat, based on a five-year moving average at the time a provider begins the regulatory process in the United States. In countries where there is no viable regulatory approval system, technology providers will make regulatory submissions promptly when those systems become functional.
3. Commercialization of the trait must not impair the ability of non-transgenic wheat to meet commercially recognized thresholds for the low-level presence of transgenic traits. Appropriate international tolerances for transgenic wheat in non-transgenic shipments must be established and accepted in major export markets. Anticipated thresholds range from 0.9% to 5.0%.
4. An accurate, economical and timely trait detection test must be provided by the trait developer prior to commercialization.
5. The primary responsibility for education and outreach for new traits will remain with the technology provider. USW and NAWG will actively help seek buyer acceptance and will provide guidance, assistance and resources.
6. The technology provider must demonstrate stewardship of the technology, including education and outreach to growers to assure compliance with agronomic and grower stewardship practices specific to the trait.
7. We have examined both certified seed and point-of-delivery value capture models. While there are advantages and disadvantages of either approach, we believe the certified seed model will be most acceptable to the value chain and is the

preferred approach. Investment in agricultural technology by private parties requires a return on that investment. We support the protection of intellectual property, including education about the importance of complying with seed and stewardship contract provisions and enforcement of those provisions when necessary. Technology traits should be encouraged for adaption into public wheat varieties.

Wheat Biotechnology Commercialization:

Trilateral Statement of Canadian, American and Australian Wheat Organizations
June 5, 2014

In 2009, nine organizations representing wheat farmers and millers from the United States, Canada and Australia voiced support for the future commercialization of biotechnology in wheat. Additional organizations have joined to reconfirm and update that commitment. As industry leaders and consumers, the undersigned organizations are united to responsibly advance wheat innovation.

1. We support and encourage the use of innovation to help solve pressing problems to address global food security needs. Wheat is an essential part of the global diet, representing about 20% of daily caloric intake. As demand increases, we must find ways to ensure it remains abundant while meeting the highest quality and nutrition standards. In addition to protecting the continued availability of wheat foods, wheat enhanced through biotechnology ultimately offers the promise of improved products, more sustainable production and environmental benefits.
2. We are encouraged by numerous investments in wheat research since 2009. We applaud the increasing private and public investment to grow more and better quality wheat safely, responsibly and in a more sustainable manner through the use of less water, fertilizer, fuel and pesticides. Research investments range from advanced breeding techniques to biotechnology traits aimed at improving productivity and end-use qualities.
3. We encourage exporting and importing nations to maintain sound, science-based biotech regulatory systems. Regulations that provide a sensible framework and predictable approval process are necessary to bring new technology to the marketplace. Biotech wheat will be subject to rigorous scientific testing as well as extensive government approval processes before it is available anywhere in the world. Additional regulations and oversight are not needed as biotech wheat will be developed with the same proven technologies that have been safely used on many other crops.
4. We encourage expediting the adoption of reasonable low level presence (LLP) policies in exporting and importing nations to minimize trade disruptions resulting from asynchronous approvals. This would ensure that trade can continue uninterrupted for commodities like wheat that may contain traces of existing biotech traits approved in accordance with international guidelines by an exporting country.
5. We believe the use of biotechnology to improve wheat is as safe as conventional practices. More than 15 years of commercial production and peer-reviewed scientific research show this technology is safe for the environment and consumption. Over one trillion meals have been consumed without a single reported incident and studies have found that biotechnology and products derived from biotechnology have not caused any legitimate food safety concerns.
6. We understand choice is paramount. We envision both biotech and non-biotech wheat coexisting within our current production, grain handling, exporting and processing sectors to meet specific customer demands. We support choice and are committed to ensuring customers have access to both biotech and non-biotech wheat, delivered through reasonable tolerance levels.
7. We share the goal of synchronized commercialization of biotech traits in our wheat crops and timely regulatory approval for those traits in importing countries. The coordinated introduction of biotech wheat will help maintain a healthy and competitive global marketplace. We recognize that we are still at the early stages of a process that could last up to a decade, but we remain committed to responsibly advance wheat innovation.

The world needs innovative solutions to meet the growing global demand for wheat foods amidst rising environmental, population and economic pressures. We are committed to a constructive dialogue with our customers, producers and value chain members to responsibly work together on wheat innovation, including biotech trait commercialization.

American Farm Bureau Federation
National Association of Wheat Growers
National Farmers Union
North American Millers' Association
U.S. Wheat Associates

Canadian National Millers Association
Cereals Canada
Grain Farmers of Ontario
Grain Growers of Canada
Grain Growers of Canada
Western Canadian Wheat Growers Assoc

AgForce Queensland
Grain Growers Limited
Grain Producers Australia
Grain Producers SA
Pastoral and Graziers Association of
Western Aus
Victorian Farmers Federation Grains Group