



The Chicago Farmer

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FALL 2015

Water, ag and the EPA

By Denise Faris

EPA rulings and how they affect farmers were discussed by a panel during Chicago Farmers' October 5 meeting featuring Tinka Hyde, water division director for the U.S. EPA (Environmental Protection Agency), and Dan Schaefer, Illinois Fertilizer and Chemical Association's director of Nutrient Stewardship. Andy Holstine, past TCF president, served as moderator.

In opening statements, Tinka reviewed that the Clean Water Rule was issued jointly in May by the EPA and the Army Corps of Engineers. She said its aim was to clarify which waters fall under the protection of the Clean Water Act following Supreme Court cases in the past several years that created confusion. Tinka said the rule provides clarification and includes all of the previous exemptions covered in the Clean Water Act. The EPA developed an agriculture fact sheet regarding the new rule that was distributed to attendees. Additionally, the Corps of Engineers has information on its website, Tinka related.

Dan said there was a lot of concern about the new ruling. He suggested that the Illinois Farm Bureau's website was a good place to learn about agriculture's thoughts on the matter. Dan noted, for example, that there was concern about how a pond on a farm caused by rainwater, which would eventually dry up, could be viewed. "There is concern that someone is looking at farmland on a desktop computer in



Tinka Hyde, from left, Andy Holstine and Dan Schaefer comprised the panel at the October meeting.

Washington and making decisions, rather than someone who is onsite," related Dan.

In response to a question from Andy, Tinka said that the EPA works with a variety of interests – industry, municipalities and homeowners. She noted that storm water is an important component of EPA's work with municipalities, and industry has a host of requirements. Regarding agriculture, much of the EPA's work is confined to animal feed operations. "We view soil health as an important component of our

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President's Message



Our fall started as it usually does with a pre-harvest visit from our friends and counterparts from Argentina. Just before our growing season ends and their season begins, they come to tour our Midwest, to see the condition of our crops and to learn about the latest farming technology. Their trip ends by spending a pleasant afternoon visiting with us and our neighbors over good food and wine at our farm.

Always enjoyable, many times these encounters yield very relevant and useful information. To get a sense of what farmers are thinking, I ask the group every year for a show of hands from those who will plant more or fewer acres of corn or beans. It is a crude survey and done mostly for my amusement, but this year 95% of 150 farmers said they will be planting more beans and less corn. A higher tax on corn exports than bean exports is mostly the cause, but whatever the reason, it could affect our share of the world bean market in a year when every market is critical.

An old friend of mine from Rosario once observed that when farmers have a good year in Argentina they get on a plane and go somewhere to learn new things, but when farmers in the U.S. have a good year, they buy a new pick-up truck. I rather resented this, but it was



Farmers and friends from Argentina at our farm.

hard to contradict him. We do seem to stay at home more and we remain focused within our own realm. Sadly, this is true at a time when it is more important than ever to be aware of what is going on in the rest of the world. The Chicago Farmers' leadership recognizes this need to be aware of global developments and it is why every year we continue to offer members a chance to participate in an overseas agriculture study tour. It is also why at least once a year we feature speakers who can give us an informed update on international events.

One such speaker is Dr. Robert L. Thompson. He will be with us at our December 7th holiday meeting. Dr. Thompson has served on Agricultural Trade advisory councils for the USDA-USTR, he is on the board of Land O'Lakes and on the International Advisory Council for Nestle.

Stay in touch with the Chicago Farmers during this our 80th year.

Eric Rund

2015-2016 Programs*

- December 7 **Holiday Event**, Cathedral Hall, University Club
- January 11 **Global Ag Policy**
- February 8..... **GMO Technology**
- March 19..... **Farmland Forum**, Weitendorf Ag Ed Center, JJC
- April 11 **Land Values**
- May 9..... **Dramatic Presentation on Immigration**, Federal Reserve Bank of Chicago

**Unless otherwise noted, all meetings are held on the 4th floor of the Illini Center. Meeting topics are subject to change.*

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work protecting water quality,” she said. She also referred to the work the EPA was involved in regarding the restoration of Lake Erie. Tinka said the EPA is leading a bi-national effort with Canada in addressing and resolving Lake Erie’s pollution problems. For example, she related that in the central part of the lake, there is not enough oxygen to sustain organisms. “Our role is to be sure that decisions that are made do not adversely affect water quality,” Tinka said.

For the Illinois Fertilizer and Chemical Association’s part, Dan said it was looking for partners on projects that address nutrient loss reduction strategies. He said that while there is a lot of nitrates and fertilizer losses coming off of golf courses, it only accounts for two percent of the run-off. “We (farmers) have to do a lot better,” Dan commented.

Andy asked how quickly practices are evolving and Dan responded that research had slowed due to the state sweeping funds out of the Fertilizer Research and Education Council (FREC)



in 2005. However, research and development have begun again with an assessment that was established on Illinois fertilizer sales to fund nutrient research at state universities and improve our water quality. The assessment was authorized in legislation signed into law last August that had the support of both agricultural and environmental interests.

The bill created the Nutrient Research & Education Council (NREC), a 14-member group composed of representatives from farm, fertilizer,

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MONSANTO



Water, ag and the EPA, from page 4

university and environmental organizations as well as the directors of the Illinois Department of Agriculture (IDOA) and the Illinois Environmental Protection Agency to provide leadership for the program. The council has set the assessment at 75 cents per ton. Fertilizer dealers must remit payments on a semi-annual basis to NREC as a condition of their license to sell fertilizer in Illinois.

Research and development have begun again with an assessment that was established on Illinois fertilizer sales to fund nutrient research at state universities and improve our water quality.

Regarding guidelines issued by the EPA, Tinka said they have to be dealt with locally. For example, there are several sources of nutrient pollution in a watershed in an area. Plans to address these sources are unique to the types of

sources in each portion of the watershed of the area. She said the EPA works with NRCS to understand what agricultural practices do or don't make a difference and so that the EPA can make more informed decisions to improve water quality while also enhancing farm productivity.

Regarding data collection and how it affects how the EPA operates, Tinka said that states develop water quality standards and Wisconsin and Minnesota are the only two states in this area that have done so for phosphorus. Others have narrative standards. "If we don't have a standard, it is trickier to set limits," she said. "The more we work together, the better off we will be in being successful."

Dan related that his group is looking for retail fertilizer operators to make better decisions. For example, the Illinois Fertilizer and Chemical Association is asking that farmers no longer spread fertilizer on snow because there is greater run-off in the spring than if the fertilizer is spread in the fall. "If we can do some of these things, we can be independent," Dan said.

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TCF member Marilyn Mayer talks with Tinka Hyde following the panel discussion.

Dan went on to say, "Illinois agriculture has a good relationship with the EPA. We work regularly with the group. That open relationship works out nicely."

For the future, Tinka said that the Climate Change Adaptation Plan has been developed. "It sets out actions to address what we are expecting from climate change. In the United

States, we expect rain to fall differently; extreme storm events are expected to occur. When we get too much rain, pipes can't hold storm water and sewage. On land, a lot of our rain management practices are for smaller events. EPA will work with agriculture to address these issues and we will look at the uses of water."

A local upside to water regulation? Tinka said that Illinois water quality has improved, especially the Chicago River.

Editor's note: *The Clean Water Rule was challenged by a group of 18 states and the Cincinnati-based Sixth U.S. Circuit Court of Appeals on October 10 temporarily blocked the rule, which is estimated to put about three percent more waterways throughout the United States under federal jurisdiction. That would require a federal permit to pollute those waters and could restrict access altogether. Major waterways are already under protection and aren't affected. The appeals court ruling enjoins the regulation nationwide.*

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An Illini receives TCF scholarship

Cole Stalter, a junior at the University of Illinois majoring in Crop Sciences with a concentration in Crops, is a recipient of a scholarship from The Chicago Farmers. He is from Fisher, Illinois, a small farming community

in central Illinois.

"The family farm is where my passion for agriculture began," wrote Cole in a letter to TCF. "I grew up helping on the farm and gaining a strong appreciation for hard work and crop production. Since then, I have realized that my passion is for agricultural research."



Cole has held internships with Illinois Foundation Seed Inc. and DuPont Crop Protection, as well as part-time jobs through the semester with various Department of Crop Science labs. He also is enrolled in classes at the University of Illinois that prepare him for a career in agriculture research. "All these experiences have taught me valuable skills for a future career in research and I cannot wait to be able to give back to the industry that has given so much to me," wrote Cole.

At school, Cole is involved in many various organizations. Currently, he is president of his fraternity, IlliDell of Alpha Gamma Sigma, a member of Field and Furrow, a Crop Science Student Ambassador, and the Exhibits chair on the Explore ACES Steering Committee.

"Thank you for the support of my continued education," Cole wrote.





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Welcome, new members



Deborah O'Connell

Deborah O'Connell learned about The Chicago Farmers through Joliet Junior College. She and her siblings inherited the farm where they were raised, so she thought TCF would be a great resource for the information she and her family will need to oversee the farm. A resident of Batavia,

Illinois, Deborah is a sales administrator in the distilled spirits industry.

Katie Kelly and **Mark Angelini** joined TCF after member Kay Whitlock told them about the group. They thought TCF would be a good fit because their families own and manage farms in Illinois. Katie's farm is near Arthur, Illinois, in Coles County, and Mark's farm is in Troy Grove, Illinois, in LaSalle County. Both farms were started by the couple's great-grandfathers. Katie

and Mark are residents of Oak Park. Mark is president of Mercy Housing Lakefront, a developer of service enriched affordable housing for families, seniors and the chronically homeless. Katie is a development specialist with Youth Job Center, a non-profit group that connects at-risk teens with jobs.



Katie Kelly, David Oppedahl and Mark Angelini.

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ILFB leaders visit Washington, D.C.

By James Bloomstrand, Chicago Farmers member

Twice a year the Illinois Farm Bureau sponsors "Leaders to Washington," which provides an opportunity for representatives of the Illinois agriculture community to meet with members of

Congress and government departments to update them about our views on current agriculture issues.

This fall's trip of 19 agriculture leaders, which included Bona Heinsohn, Janet McCabe, and Cindy Gustafson, and me from Cook County; Adam Nielson, Ryan Whitehouse and Deana Stroish from the Illinois Farm Bureau office; and our tour directors, discussed issues about Waters of the United States (WOTUS), Trade Promotion Authority (TPA), GMO Labeling, and tax law changes with government leaders during our visit.

We met with Ron Carleton, agriculture counselor to the EPA administrator, to obtain answers to some questions about the recently passed WOTUS regulations. Several members of our delegation came prepared with aerial maps of their farms to determine how these new rules affect their farming operations. Mr. Carleton assured us that farm waters are exempt from the new rulings and current farming practices can continue. During a panel discussion at a recent TCF meeting, panelist Tinka Hyde, water



Adam Nielsen, from left, Jim Hopkins, Jim Bloomstrand, Rep. Randy Hultgren, Bona Heinsohn, Terry Boydston, and Rock Katschnig



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division director for the US EPA, offered similar interpretations of the new regulations (see the page 1 story in this issue).

Our Cook County delegation also scheduled visits with Biotechnology Industry Organization (BIO), Grocery Manufacturers Association (GMA), Tyson Foods, Inc., and the Embassy of South Africa to discuss labeling and trade issues.



The group met with Ron Carleton, at the head of the table, at the EPA. Cindy Gustafson, Cook County Farm Bureau, is on the left.



Jim Bloomstrand, Cindy Gustafson and Janet McCabe at the Embassy of South Africa



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It's our anniversary!

Come celebrate The Chicago Farmers' 80th anniversary at the December 7, 2015, meeting and our Holiday Event in Cathedral Hall at the University Club. Dr. Robert L. Thompson, Professor Emeritus at the University of Illinois at Urbana-Champaign,



Dr. Robert L. Thompson

where he held the Gardner Endowed Chair in Agricultural Policy, is our guest speaker. Raised on a small family dairy farm in northern New York State, Dr. Thompson has extensive international experience and has lectured, consulted, or conducted research in more than 90 countries worldwide, including extended periods in Denmark, Laos, and Brazil. Dr. Thompson's presentations are always insightful and contain a wealth of information. Please join us for an enjoyable afternoon.

Roll Call



Nancy Hansen, Charles Kayton and Nina Menis



Paul Gantzert and Steve McGue



Greg Bales of Senator Dick Durbin's office and Barbara Clark, TCF vice president



Dr. Susan Kern, Marilyn Mayer and Hillary Wiedemann, Marilyn's daughter



John Volk and William Francis



Brad Glenn, from left, John Rutledge, Thomas Jennings and Jeff Lee



James Bloomstrand with Lauren Lurkins of the Illinois Farm Bureau

The outlook on farmland

By Denise Faris

Dr. Gary Schnitkey, professor and farm management specialist in the Department of Agriculture and Consumer Economics at the University of Illinois, gave us an outlook on farmland for the coming year at our September meeting. He related that there are normal corn and soybean yields this year. Incomes are

projected to be low, just as they were in 2005; however, many Illinois farms are in strong financial condition. Dr. Schnitkey also noted that in 2014, intermediate assets increased. Currently, debt has not declined on farms, if anything, it has increased.

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Dr. Gary Schnitkey

"We are looking at going into very low net incomes, lower than during the five year period from 2000-2005," Dr. Schnitkey observed.

"While many farms are in strong financial positions, there are a number of farms that have cash problems. Part of the reason is less revenue from corn."

He said there is a strong need to reduce cash flow due to the commodity prices. "Due to reasonably good crops worldwide, there are not any supply problems around the world," Dr. Schnitkey said. "Right now, I am not bullish about the short-term outlook in other countries' economies."

"Over time, farmland is a very good investment; on average it out performs the stock market, but you have to hold it a long time," said Dr. Schnitkey. "If you sell your land, where do you put the proceeds? Everything is risky."

He went on to say, "We should hope for growth in the Far East within the next five years. We have to hope China buys soybeans and corn to feed its livestock so they can feed the Chinese population. We need that demand. We thought continued growth would come from Africa, but that is a hard case to make."

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