Farmers Target Issues During Washington, D.C. Legislative Tour

Over 100 Michigan farmers from 46 counties were in the nation's capital March 24-27 seeking congressional action on six priority issues, according to Michigan Farm Bureau President Jack Laurie.

Laurie said that during Farm Bureau's 32nd annual Washington Legislative Seminar, the organization focused its efforts on a 100 percent tax deduction for health insurance premiums for the self-employed; a capital gains tax cut; animal welfare legislation to protect biomedical, agricultural research and farm facilities; limiting of pesticide regulation solely to state and federal governments; negotiations toward an expanded and more open trade agreement between the U.S., Mexico and Canada; and a federal wetlands policy that balances wetland and private property rights protection.

"To farmers, a 100 percent deduction for the health insurance premiums of the self-employed is a very simple issue," said Laurie. "It's a matter of equity. But the issue to congressmen is how to recover the tax dollars that would be lost by granting this deduction.

Farm Bureau supports including a capital gains tax cut in any tax reform or economic recovery package voted on by Congress. "The capital gains tax rate should not exceed 15 percent," Laurie said. "We will be insisting that any economic recovery program include this tax relief. This is a major economic issue for farmers across the country."

A North American Free Trade Agreement (NAFTA) is unlikely to be concluded before the November election, according to Laurie. "After the election, I believe the negotiations will speed up and we'll see some agreement in 1993, at least between the U.S. and Mexico."

Laurie said an agreement that covers all of North America will involve sensitive and difficult negotiations, in part because of the vast differences between the U.S., Canada and Mexico. "Canada has a total population of around 25 million people. The U.S. has one state, California, with a population of 25 million. And Mexico has one city with 25 million people living in it. These are extreme differences that complicate trade discussions," he said. "However, it's not a question of creating new trade. The trade between our countries is taking place now. It's simply a question of creating an agreement that allows us to manage that trade better."

Farm Bureau urged action on legislation that would make it a federal crime to disrupt nonprofit property, or steal animals from a biomedical facility, agricultural research facility or farm. "We need this to send a strong signal to these groups that do this kind of damage that we're not going to tolerate terrorism," Laurie said.

Members met with members of the state's House and Senate delegation and their staffs. They were also briefed on livestock, dairy, and world trade issues by representatives of the U.S. Department of Agriculture.

MFB President Jack Laurie, MFB Board member Tom Guthrie, and Kent County legislative leader Michelle Francisco received media interest in the Grand Rapids-Kalamazoo market, and Channel 12, Channel 5, and Channel 25 in the Flint-Saginaw-Bay City area. Above, Michele Francisco answers questions during one of her interviews. Laurie, Guthrie, and Osceola County member Fred Prichard, also participated in live TV satellite interviews.

GATT Future Questionable
American Farm Bureau President Dean Kleckner is cautiously optimistic about the progress of the GATT (General Agreement on Trade and Tariffs) world trade talks. "I don't think the United States, the European Community, or the rest of the world, are willing to say it's a bust yet," he said during a meeting with the Michigan farmers. "We may come to that point in 1993, but for 1992, we will continue to talk even though our election process is multiplying the waters to some degree and other countries are experiencing political upheaval as well."

Kleckner, who served as an advisor to U.S. agricultural trade negotiators, said successful completion of NAFTA wouldn't be counter-productive to GATT negotiations. In fact, Kleckner said, a NAFTA would be a good fit when an acceptable GATT package is agreed to.

Political Atmosphere Making it Difficult to Resolve Issues
The most highly partisan political atmosphere in memory is making it difficult for Congress to address issues important to agriculture, according to the retiring executive director of the American Farm Bureau Federation's Washington, D.C. office.

John Datt is stepping down May 1 after 41 years of service with Farm Bureau. He told Michigan Farm Bureau members that several factors combine to make political compromise a rare commodity this year.

"President Bush's political popularity has dropped dramatically in the last year, and the Democrats realize they have a good opportunity to elect a new president," he said. "So, both the Democrats and Republicans have adopted a very strident political partisan stance. And you can see that show up on the budget, tax, and wetlands issues."

The House banking scandal is also a factor, Datt said. "That has become the overwhelming issue in the House," he said. In addition, an election year significantly reduces the number of legislative days available for Congress to work on issues.

Datt noted that FB enjoys tremendous respect and integrity in the nation's capital because of the consistency and integrity of its member-developed policy positions. In Datt's opinion, the best and most effective congressman he worked with during his 41 years in Washington was Gerald Ford.

Washington Legislative Seminar participants heard from Sen. Don Regle at the Thursday morning breakfast. He expressed his continuing support for a 100 percent tax deduction for the health insurance premiums of the self-employed.

See Additional Photos on Page 8.
Michigan Bean Producers Pass Assessment Increase

Michigan dry bean producers voted to approve an increase in assessment rates levied by the Michigan Bean Commission, from the present level of 5 cents per hundredweight (cwt.) to 10 cents per cwt. of edible dry beans sold, according to the Michigan Department of Agriculture.

The referendum, conducted by MDA March 2-13, involved growers who produced dry edible beans for sale in 1990 and 1991. In total, 1,528 ballots were cast, with 153 disqualified because they were incompletely or improperly filled out or were not mailed in time.

Of the 1,375 valid votes cast, 691 (50.25 percent) bean growers representing 50.25 percent of the total production, voted for the increase in assessment rates. A total of 684 (49.75 percent) bean growers representing 49.75 percent of the total production, voted to reject the proposal.

In order for the proposal to pass, it had to be approved by over 50 percent of those voting, representing more than 50 percent of the total production.

Gasper Named Dairy Farmer of the Year

The manager of one of the top 20 dairy herds in Michigan was named the 1992 Dairy Farmer of the Year, Kenneth L. Gasper, of Lew-Mah Holsteins, near Belding, was chosen for the award by the faculty of the Department of Animal Sciences at Michigan State University.

The award was presented to Gasper, his wife Jane, and children Nikki, Aaron, Maddie and Jamie, during the Dairy Awards Luncheon March 23, during Agriculture and Natural Resources week. The Gaspers’ farm operation consists of 690 acres, a herd of 140 milking cows and 160 replacement heifers. In 1990, the herd had the highest dollar value of all dairy herds in Ionia County. It currently has a rolling herd average of 24,214 pounds of milk, 899 pounds of butterfat, and 73 pounds of protein per cow per year.

As a result of their herd management and performance, Gasper and his family have received several recognition awards, including one which states that if all U.S. dairy farms were like theirs as standards to support their management decisions. In short, they have done a tremendous job with their herd.

March Farm Prices - A Mixed Bag, Up in Michigan

The index of prices received by U.S. farmers for their products in March was up 0.7 percent from February, but was down 3.4 percent from March 1991, according to USDA.

Higher prices in March, compared with February, for lettuce, tobacco, cattle and corn were partially offset by lower prices for milk, oranges, wheat and hogs. USDA said in its monthly Agricultural Prices report.

Prices received in Michigan for all products as of March 15 was 125 percent of its 1977 base, according to the Michigan Agricultural Statistics Service. This is 1 percent compared to February. The price index for all crops in Michigan rose 2 percent, with feedgrains up 3 percent, wheat up 5 percent, corn up 4 percent, and potatoes up 2 percent. Onions and hay were up 8 percent and 6 percent, respectively. Fresh apples were up 4 percent while soyas, dry beans, and potatoes were all up 3 percent from February levels.

Corn was up 1 percent and winter wheat was down 10 percent.

Health Insurance Deduction, Capital Gains Fall Victim to Political Posturing

A casualty of Congress’s preoccupation with new taxes as the core of an economic growth package was the 25 percent deduction for health insurance premiums paid by self-employed individuals. If it’s not extended, the health insurance deduction will expire on June 30. The tax package enacted by Congress, H.R. 420, was vetoed by Pres. Bush because of the new taxes and the inclusion of a burdensome 

With the opportunity for a captial gains tax reduction, another attempt to put together a tax package containing incentives for economic growth is unlikely, according to Bruce Ellen, associate director of the AFBF’s Washington, D.C., office. Farm Bureau favored the extension of the health insurance deduction and urged it be increased to 100 percent and made permanent. Rice said Farm Bureau continues to push for passage of H.R. 748, which provides a permanent deduction of 100 percent of health insurance premiums.

Mixed Bag, Up in Michigan

For more information contact your nearest Haul Master Dealer. Or contact Haul Master directly. Selected dealerships available.
Private Property Rights

MFB Position
Farm Bureau supports S. 2352 and H. R. 1439.

MFB Contact
Al Almy, Ext. 2040

Farm and Animal Research Facility Protection Act

MFB Position
Farm Bureau supports H.R. 2407.

Action Needed
Urges members of your congressional delegation to cosponsor H.R. 2407.

MFB Contact
Al Almy, Ext. 2040

Pesticide Preemption

MFB Position
Farm Bureau supports legislation to limit regulation of pesticides solely to state and federal government. Farm Bureau supports both H.R. 3850 and S. 2085.

Action Needed
Ask your congressional delegation to cosponsor both pieces of legislation.

MFB Contact
Al Almy, Ext. 2040

Local Wetlands Ordinances

MFB Position
Farm Bureau policy supports legislation prohibiting local wetlands ordinances more stringent than the state Wetlands Protection Act and supports statewide standards for wetlands determinations. S.B. 522 (S-3) does not allow a local unit of government to require permits for any agricultural activity that does not require a permit under the state law and requires local units of government to adopt the state definition. Farm Bureau supported S.B. 522 (S-3) and S.B. 807.

MFB Contact:
Vicki Pontz, Ext. 2046

Sen. Steve Symms (R-Idaho) and Rep. Craig Thomas (R-Wyoming) are sponsoring S. 2352 and H. R. 1439 which would require the government to require the purchase of land in states where it already owns 75 percent of the property by the sale or exchange of lands equal in value. This would result in "no net loss" of private property.

Legislation supported by Rep. Stenholm (D-Texas) is currently waiting action by the House Agriculture Committee. H.R. 2407 would make it a federal crime to destroy property, or steal animals at a biomedical, agricultural research facility or farm. The importance of this legislation is evident in the recent incident at Michigan State University involving the violent destruction of research data and facilities. Currently, seven Michigan Congressmen have expressed this urgent need by cosponsoring H.R. 2407; William Broomfield (R-Birmingham), Dave Camp (R-Midland), Bob Davis (R-Gaylord), Paul Henry (R-Grand Rapids), Carl H. infinity (R-Plymouth), Gay Vander Jagt (R-Lansing), and Howard Wolfe (D-Lansing).

Rep. Hatcher (Georgia) and Sen. Pryor (Arkansas) are sponsors of H.R. 3850 and S. 2085, to amend FIFRA and provide new language making it clear that only state and federal governments will have pesticide regulation authority. Currently, Rep. Dave Camp (R-Midland) is the only Michigan congressional cosponsor of H.R. 3850.

Pesticide regulations shall not apply to land handled under state (MPCA) and federal (FIFRA) governmentally. Recently the Supreme Court ruled that FIFRA does not preempt local government from regulating and use of pesticides. There are several reasons for concern about local units of government regulating pesticides including:

1. Local regulation will make it very difficult for farmers operating in various jurisdictions to comply with numerous uncoordinated regulations.

2. Pesticide use must be based on sound scientific analysis and the weighing of risks and benefits. Local governments do not have large financial reserves to regulate pesticides and evaluate complex scientific data. The result of local regulation will be based on politics and emotion rather than sound science.

3. Local analysis of data would be a duplication of efforts already existing within the state and at federal levels and, therefore, an unwise use of scarce local funds.

4. Local pesticide ordinances that are more strict than FIFRA and the state Pesticide Control Act could unfairly affect the competitiveness of farmers growing agricultural commodities in different areas of the state.

5. Inconsistent and arbitrary local regulations send conflicting messages to our trading partners both within the state, and on the national and international levels.

MFB Position
Farm Bureau offered amendments to the bill to clarify the definition of "farm property" and language requiring trespassers to make restitution for any damages done to property while trespassing. Farm Bureau has not taken a formal position on the bill at this time.

The bill has been referred to the Senate Natural Resources Committee and is expected to be considered in late April after Easter recess.

MFB Contact
Vicki Pontz, Ext. 2046

S.B. 808, sponsored by Sen. William Faim (D-Westland), amends the Recreational Trespass Act to establish penalties for trespassing on the property of another person and requires oral or written permission for entry upon the property of another person. The bill clarifies that a person shall not enter or remain upon farm property or a wooded area connected to farm property for any recreational activity without the consent of the owner whether or not the farm property is included in a hunting lease. A person who violates this statute, upon written or orally by the property owner, enter upon the property of another person for the sole purpose of retrieving a lost or stolen firearm shall be punished by imprisonment for not more than 90 days and shall not remain on the property beyond the reasonable time that is necessary to retrieve the firearm.

The bill clarifies that a property owner is not liable for injuries to a person who is on their land without permission.

A person who violates the Recreational Trespass Act would be guilty of a misdemeanor punishable by imprisonment of not more than 90 days or a fine of not more than $100 or both. A person convicted of a second or subsequent violation shall be punished by imprisonment for not more than 90 days, a fine of not less than $100 or more than $1,000.

S.B. 834, sponsored by Sen. Barcia (D-Bay City), amends the state Transportation Protection Act of 1976 and requires that DNR preserve the right of way for any MDOT-owned railroad for use as a railroad line and shall not permit any action which would render it unsuitable for future railroad use.

A package of bills, known as the Michigan Trails Act, proposed establishment of a state trailways system to be used for public recreation activities. S.B. 834, sponsored by Sen. Geake (R-Northville), sets up criteria for a Michigan trailway, authorizes the Natural Resources Commission to purchase land for use as a future Michigan trailway, creates a Michigan trailways trust fund, and allows the formation of Michigan trailways management council to make up local units of government for the management of a Michigan trailway. S.B. 835, sponsored by Sen. Barcia (D-Bay City), amends the state Transportation Protection Act of 1976 and requires that DNR preserve the right of way for any MDOT-owned railroad for use as a railroad line and shall not permit any action which would render it unsuitable for future railroad use.

S.B. 836, sponsored by Sen. Geake, provides for an income tax credit for property tax paid on land under a lease agreement with or an easement granted to the DNR for land to be used as a Michigan trailway. S.B. 837, sponsored by Sen. Wartner (R-Portage), provides for a business tax credit for property tax paid on land under a lease agreement with or an easement granted to the DNR for land to be used as a Michigan trailway.

A substitute for S.B. 92, introduced earlier by Sen. Ehlers (R-Grand Rapids), would release private property owners from liability for injuries to a person who is on their land or premises to enter or exit from or use a Michigan trailway. The five-bill package was introduced March 25 and is expected to be taken up by the Senate Natural Resources Committee after Easter break.
30-Day Outlook, Colder and Wetter Than Normal
90-Day Outlook, Warmer Than Normal

Jeff Andersen, Ag Meteorologist, MSU

The old weather adage, "In like a lion, out like a lamb" was true, but in reverse during March. Following record warmth during the first 10 days, below normal temperatures persisted for the remainder of the month. The monthly averages, which were near the 30-year normals in most locations, are, therefore, not descriptive of the major swings in temperature that took place.

Temperature departures from normal ranged about two degrees below normal in eastern sections of the state to two degrees above normal in the southwest. The below normal means in the east were the first below normal monthly temperatures in Michigan since last fall. With the warm weather early in the month, base 50 degree day accumulations ranged from 10-40 across the southern third of Lower Michigan. Precipitation was generally below normal in the north and above normal in the south.

The weather patterns of late March, characterized by a strong, cold north, or northwesterly flow in the jet stream over Michigan, are expected to continue for the next few weeks. The latest 30-day outlook for the state during April is calling for temperatures to continue below normal and precipitation to average about normal.

Michigan Weather Summary

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Interestingly, the new 60-day outlook for April-June calls for temperatures to average about normal, while precipitation is forecast to continue near normal. Thus, a changeover from late winter/early spring weather to early summer type weather may occur fairly quickly during the coming weeks.

CBT Panel Predicts Downward Trend With Good Weather

Chicago Board of Trade grain and soybean futures markets will focus more thoroughly on spring and summer weather patterns now that USDA's acreage figures have been released, a panel of analyst predicted, according to Knight-Ridder Financial News.

USDA pegged 1992 U.S. corn planting at 79.007 million acres, down slightly from USDA's acreage figures have been released, a panel of analyst predicted, according to Knight-Ridder Financial News.

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"Corn would largely be out of danger by mid-June, but soybeans could be hurt by a late summer drought," he said.

For wheat, the major surprise in USDA's planting figures was a slump in Durum acreage, according to Jim Johnson, a wheat broker with Geldermann, Inc. Analysts had expected a slight acreage reduction because of prices, but with only 2.553 million acres, seedings are just 78 percent of a year ago levels. "CBT July wheat near $3.50 is a fair price given the current supply/demand fundamentals," he said.

Wool Incentives Fall Under New Rules

...
Researchers See Benefits In Mixing Captain With Sterol Inhibitors

Researchers used Nova, Rubigan and two brands expected to be on the market soon -- Elite and Noorder -- to test sterol inhibitors. The results supported what many researchers had been saying all along: combining two fungicides with different modes of action gives better results.

"Captain normally provides protection by killing the spore or preventing its germination," says Dr. Keith Yoder, fruit pathologist with the Virginia Cooperative Extension Station, Winchester. "The sterol inhibitors prohibit growth, but not necessarily germination."

According to Yoder, the sterol inhibitors work by preventing the fungus from synthesizing ergosterol, a compound essential for growth.

In tests conducted on McIntosh trees in Michigan, untreated fruit had a 96.5 percent incidence of apple scab. On trees treated with the maximum label rate of Rubigan -- 12 ounces per acre, the incidence of scab dropped to 20.8 percent. When the rate of Rubigan was mixed with six ounces per acre and combined with four pounds of Captain 50WP -- two-thirds the normal rate -- the amounts of apple scab fell again, this time to 3.8 percent.

Michigan 1992 Corn Acreage Increase Expected

Michigan farmers expect to plant more corn acres in 1992, according to the Michigan Agricultural Statistics Service. Anticipated plantings for oats, barley, and dry beans are down, however. Actual planted acreage may vary from intention because of weather, availability of production inputs, and changes in market conditions.

Michigan corn growers intend to plant 2.7 million acres, up 10,000 acres from 1991, the highest since 1986. Soybean planting intentions, at 1.4 million acres, are unchanged from a year ago. Dry bean plantings are expected to decrease 70,000 acres for a total of 280,000 acres. Sugarbeet intended acreage at 172,000 is only 1,000 acres above 1991 planted acres.

Growers intend to seed only 120,000 acres of oats, down 20 percent from 1991. Farmers intend to harvest 1.4 million acres of all hay, unchanged from 1991's acres. Barley seedings, at 25,000 acres, are expected to decrease 10,000 acres from last year. Winter wheat seedings last fall rose 11 percent to 630,000 acres.

Nationally, corn growers intend to plant 79 million acres of corn, up four percent from last year, the largest since 1985. Soybean plantings are projected at 74 million acres, down one percent below a year ago, and the lowest since 1976. National drybean acreage is pegged at 1.50 million acres, down 22 percent from 1991, and down 31 percent from 1990.

Warmer Weather Brings "Con Artists" to Michigan Farms

Last summer a farmer trusted first impressions and a handshake that he'd be paid $4,400 down payment would get him a burn paint- ing and roof coating job he badly needed for one of his barns. Unfortunately, all he got was an empty promise and a $4,400 withdraw-al from his checking account.

Three of his neighbors also got a visit from the "con artist" who said he could give them a great deal since he was "in the neighborhood." They also made down payments for work that was never delivered, according to Larry Eckilsen, a general contractor from the Freeland area (1-800-582-2720).

Eckilsen, in business for over 40 years, claims that another favorite con artist scam that another favorite con artist scam is being an empty promise and a $4,400 withdrawal from his checking account.

He's extremely smooth, knows all the jargon and how to deal with farmers. Could sell ice cubes to eskimos!

The "Drop Game" - the favorite of all con artists. He'll start with a price of $1,000, then drop to $750, then $500 and, finally, he'll tell you that he has just enough paint to do your job, if you let him do it now, for $450!

Check those license plates. Generally the con salesman will have Michigan plates (the smarter ones, that is). But if they do the work, the ladder and crew truck will have Ohio out-of-state plates.

Requires a large down payment without material. Contractors may require a down payment, but only when materials are actually delivered and the job started.

Bargain basement deals on materials. They can vary between reputable contractors, but note the degree that con artists generally offer. Aluminum asphalt roofing typically runs about $20 to $30 per gallon, compared to $3 to $5 per gallon of the con artist's coating.

Aviod the "flat coat" per gallon bid. Ask for the "name brand" cost. They'll present you with a lev- elly new scam that carries a compar- able price tag per gallon. The difference? They'll be carrying 10 or possibly more empty 1-gallon paint cans when they pull into your driveway, telling you the paint was actually used on your barn.

Get it in writing. Make sure you get exactly what you thought you'd get at the agreed upon price, such as one coat or two.

Tests were conducted in some of the states where apple scab traditionally causes the most damage -- Michigan, New York, Ohio and Virginia. In all of the tests, trees were either treated with Captain alone, or treated with different brands of sterol inhibitors alone, or reduced-rate mixtures of Captain and a sterol inhibitor.

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**Market Outlook**

**Seasonal Commodity Price Trends (long term)**

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The USDA also released its Prospective Plantings Report, March 31, showing farmers intend to plant 79 million acres of corn in 1992 compared to last year’s 73.9 million. This was just a little below trade expectations. Part of the increase is due to lower set-aside requirements and a likely shift back to corn from soybeans. The higher rainfall and low trend yields will be more than enough to cover use in 1992-93.

A higher than average yield could send harvest prices to $2 per bushel in 1992, down from $2.60-3.3 range, and a 1988 drought-type yield would put us over $3.50. The extremely wide spread is due to the combination of plenty of acres, but relatively tight beginning stocks. If a weather scare puts new crop prices on the upswing, have a plan. The March 1 Quarterly Hogs and Pig Report showed hog feed prices were up 6 percent, brisk for market were up 7 percent, and kept for breeding were up 3 percent, compared to 1991. For Michigan, the same three numbers were even with a year ago. Based on farrowing intentions, it appears the expansion may be over by the spring of 1993. Hogs in the 120 pound and up range were 4-7 percent higher than a year ago. That level of production will likely keep prices below $4.00 through April before inching up past $4.00 in May. Hogs under 120 pounds were up 7-8 percent from 1991 bringing prices into the mid-$40’s before dropping off towards the end of the summer.

March-May farrowing intentions are up 1 percent. This gives us an idea of rest fall's and production indicates in the upper $3.00 and low $4.00's this fall. June-August farrowing intentions aren’t projected to be up, which means prices should be back in the low to mid $40's next winter. If you see forward pricing opportunities above these forecasts, consider them.

The strong feed prices we have been seeing should last into May before dropping off through the summer with a low in August around $5.70. While the market will see some recovery through the fall, it probably will not be strong. At this point, there aren’t good forward pricing opportunities past June, but if we see a rally, be ready. The biggest factor is that we have a new and very different market, so we don’t get into the serious problem we had with fat cattle in the second half of 1991.

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**Table 1**

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Dairy Price Turn-Around Possible by Mid-Summer

Larry Hamm, MSU Ag-Econ. Dept.

The March Minnesota-Wisconsin (M-W) price fell 23 cents lower to $10.98, bringing the total decline of the M-W to $1.52 since its high of $12.50 in October 1991. The March M-W drop, combined with those of January and February, guarantee that farm milk prices will continue going down. The final March farm price will likely be in the $12.30-$12.50 (for 3.5 percent milk) range. April and May prices are also going to continue to go down. However, if the March M-W is the low point for the year, then the end to rapidly falling milk prices is visible.

The possibility that this spring's M-W is going to bottom out 96 cents higher than last March's disastrous $10.02 is the result of the interaction of supply and demand. Milk supply continues to drop. February milk production dropped about 1 percent, marking the ninth consecutive month of year-to-year production decreases. Even though milk product demand has been weakened by the recession, it has held even. Declining production in the face of level demand has tightened the dairy product markets.

The middle three weeks in March saw wholesale cheese prices as measured at the National Cheese Exchange increase slightly. Prices for nonfat dry milk have also risen recently and are now about 10 cents per pound above the government support price. Government CCC purchasers have been virtually nonexistent for cheddar cheese and nonfat dry milk since spring of 1991. Last year, the CCC bought 232 million pounds of uncommitted nonfat dry milk powder inventories. This year that figure stands at 40 million pounds.

The lack of government inventories, combined with the Secretary of Agriculture's announcement not to sell CCC inventories back into commercial markets, means that product prices can rise significantly if supply and demand conditions warrant. It is not clear whether the new aid to Russia will impact the U.S. dairy industry. Should the CCC purchase some of the loan guarantees be used to buy milk powder, the U.S. dairy markets could tighten and milk prices could rise rapidly.

On the other side, if milk production starts rising rapidly this summer, milk price increases will be tempered.

The current market conditions point to the possibility of another volatile dairy market year. Because of the low price support level and the lack of government inventories, market prices are rising free from government bounds. How significant the dairy price volatility becomes depends on the weather and market factors that affect other commodity sectors.

Tuberculosis in Cattle Worries Producers

After decades of decline, the threat of bovine tuberculosis is once again haunting the nation's cattle producers, according to a recent AFBF release.

Even though the incidence rate has been pushed down to 0.02 percent today, from 4.9 percent in 1917, a number of new cases have been reported recently. USDA confirmed three infected herds in both 1988 and 1989, 13 in 1990 and 10 last year. There have been two new cases so far this year. Currently, there are a total of 11 confirmed infected herds: two each in California and New Mexico, six in Texas and one in New York. Nebraska has one exposed herd.

The presence of an infected herd can affect the free movement of cattle out of an entire state, officials say. All producers in a state could lose export markets if foreign buyers insist on beef from a TB-free state.

Save Time, Reduce Seed Damage With The Unverferth Drill Fill

Unverferth Manufacturing Company, Inc., introduces a time, labor and seed saver for producers who use the John Deere 750 Grain Drill.

The new Unverferth Drill Fill is an easily attached add-on auger that moves the seed from the loading position to a capacity expanded seed hopper. The hopper extension features a horizontal center-fill auger which distributes seed evenly throughout the grain tank, minimizing seed travel, and handling damage. The hopper extension also increases seed-holding capacity by up to 20 percent and is primed and painted to match the drill.

The Drill Fill's spring assisted vertical lift auger stores conveniently in the front of the drill while planting or in transport. Auger controls are mounted for easy operation from either the ground or drill platform.

Producers have the option of steel or the gentler seed-handling brush flighting for both the vertical auger and the hopper's horizontal grain-fill auger.

For further information contact: Unverferth Manufacturing Company, Inc., P.O. Box 357, Kalida, OH 45853. Phone: (800) 322-6301, (419) 532-2121, or FAX (419) 532-9488.

A FEW SMALL REASONS

To Have
FARM BUREAU HEALTH INSURANCE

For over forty years, Farm Bureau and Blue Cross Blue Shield have teamed up to provide quality health care at competitive group rates with the personalized service you would expect from a Farm Bureau family membership.

No matter what your needs...

No matter what your needs...

small business, solo proprietor, or individual coverage for you or your family — we have the right plan at the right price.

Blue Cross Blue Shield quality and Farm Bureau's personalized service provide an unbeatable combination that you can't afford to be without when protecting the "small" things in life that are of big importance to you.

For information, call 1-800-292-2680 or contact your local Farm Bureau agent.
Avoid Tragedy In Manure Storage Areas

Tragic deaths—often multiple deaths—continue to occur when people breathe lethal amounts of gases in pits or tanks or other confined spaces that contain decomposing animal manure.

Hydrogen sulfide, ammonia, carbon dioxide, methane, and many other gases are generated when manure decomposes in the absence of oxygen under so-called anaerobic conditions. Such decomposition occurs in all non-aerated manure storages, and the gases can be hazardous when they reach sufficient concentrations—which happens in manure storage that involves a confined, unventilated, or poorly ventilated space.

What kinds of storage can become dangerous? Manure storage under a slotted floor, for example, covered outdoor manure storage tanks, manure sumps for transfer pumps, junction boxes, and barns above manure storage. The greatest danger is present during and after agitation of manure.

The extent of the hazard can be deceiving, because dangerous circumstances don’t always exist in such spaces. Individuals may occasionally enter such an area without experiencing problems.

Here, briefly, is what the Cooperative Extension Service at Michigan State University advises:

Do Not Enter Any Confined Manure Tank Without Either...
- A self-contained air supply such as firefighters use. Dust masks or other cartridge respirators will not filter out the toxic gases or provide the oxygen required to work in a confined space.
- A self-contained air supply such as firefighters use. Dust masks or other cartridge respirators will not filter out the toxic gases or provide the oxygen required to work in a confined space.

Remember: You have only six minutes after a person stops breathing to begin mouth-to-mouth breathing before brain death occurs. Being prepared will greatly reduce the risk of panic, ill-advised action, and needless death or injury.

- Testing the air (with reliable and dependable equipment) for hydrogen sulfide, methane or other combustible gases, and oxygen, AND...
- Constant and adequate ventilation of fresh air, AND...
- An approved harness or lifeline on the person entering the tank—with at least two persons outside the tank capable of pulling the person out of the tank if necessary, AND...
- An approved pulley and tripod or other suitable strong system that will make it possible to remove a limp body from the tank opening.

Tragic deaths—often multiple deaths—continue to occur when people breathe lethal amounts of gases in pits or tanks or other confined spaces that contain decomposing animal manure.

The extent of the hazard can be deceiving, because dangerous circumstances don’t always exist in such spaces. Individuals may occasionally enter such an area without experiencing problems.
Delegate policy debate, director elections, award presentations, and administrative reports highlighted Michigan Milk Producers 76th annual meeting. This marked the last MMPA annual on the Michigan State University campus because of the university's semester switch this fall.

During his comments to the 288 registered delegates, MMPA President Elwood Kirkpatrick predicted there would be little, if any, dairy program policy changes in the next 12 months, while the budget and the GATT debate goes on in Washington, D.C. Kirkpatrick did say, however, that USDA Secretary Madigan had expressed an interest in "enhancing exports," using producer assessments to fund such efforts.

On the state level, Kirkpatrick said the Super Pool premiums, which added $14 million to MMPA members last year. He vowed that the cooperative would see to it that legislation is passed requiring equal participation from all parties, eliminating unfair advantages for privately held companies.

Theron VanRhee, MMPA director from District 11, Holland, presented Charles and Larry Comis of Fremont with the highest quality milk production award for obtaining the best quality measurements in 1991 of the 3,000 farms belonging to MMPA.

Eight other producers were also recognized with honorable mention awards for high quality production. The 1991 District Outstanding Young Dairy Couples (OYDC) were also recognized at the meeting, including comments from Greg and Kathy Dorman, Sandusky, who were officially recognized as the state OYDC.

Clinton County dairy farmer Kenneth Nobis was elected to serve a three-year term on the organization's board of directors as an at-large director, replacing Carl Kline of White Pigeon.

1992 Young Farmer Discussion Meet Topics Announced

If you're between the ages of 18 and 30, and would like a shot at some fabulous prizes, including a Honda Four-TRAX for the state winner, then you'll want to start becoming familiar with the 1992 Young Farmer Discussion Meet topics.

The topics for this year's contest have been announced. At each of the 11 district contests, the topic will be:

1) How do our public's environmental concerns affect U.S. agriculture?
How do these concerns affect government legislation and regulations? How can agriculture improve public awareness of environmental issues?

That topic plus three others will be used throughout the preliminary, semi-final and final levels of the state discussion meet held in Grand Rapids on Dec. 2. The other topics are:

2) What should be the role of U.S. agriculture regarding foreign aid? Is there a moral obligation? Do we offer food, technology, or money?

3) Term Limitation - should terms of office be limited in the American governmental system? What is best for agriculture and the American people? Would voters be better represented?

4) Can agriculture be assured of a reliable labor supply? Should immigration laws be changed? How do we educate an adequate supply of agricultural workers and managers?

For more information about the Young Farmer Discussion Meet contest, contact your County Farm Bureau office, your County Young Farmer Committee Chairman, or the Michigan Farm Bureau at 1-800-292-2680, ext. 3234.

Policy discussion focused on opposing a national health insurance program, development of alternative funding for agriculture education programs, and considerable discussion on a "volume incentive" resolution that called upon the MMPA board to study a dues program according to the volume of milk produced.

Several delegates expressed concern that a volume incentive dues program would pit small producers against larger producers, while others said that such a program is needed to keep the larger producers with MMPA. It was pointed out that just 11 percent of the producers generate over 33 percent of MMPA's production, while 50 percent of the producers generate 18 percent of the cooperative's total production.

The motion eventually passed as proposed, allowing the board and staff to research a "dues/pay program that will reflect efficiencies realized according to various volumes of milk marketed by members." According to the resolution, if such a program is deemed appropriate, the board will call a special meeting of the members prior to implementation.

Nobis and his brother, Larry, own and operate a 400-cow dairy farm near St. Johns, claiming top honors the past two years for herd production. In addition to farming 1,000 acres.

In his autobiography, Groucho Marx tells how an annuity helped him at a crucial point in his career. The annuity, he said, gave him such a feeling of security that he was able to pursue his career with a lighter heart and more confidence.

An annuity from FB Annuity Company may not save your career, but it can save your retirement. Our IRA annuity guarantees you a lifetime retirement income - a check every month for as long as you live.

Consider the tax advantages, too. You may qualify to deduct up to $2,000 in deposits each year from your federal income tax. And your interest earnings are tax deferred, protected from taxes until you take your money out.

An IRA from FB Annuity Company currently earns 7.25% Effective Annual Yield And Guaranteed to never fall below 4%

You can't replace the secure feeling of an IRA. Call your Farm Bureau Insurance agent today.

9MMPA Annual Meeting Policy Discussion Focuses on "Volume Incentive"

Making Your Future More Predictable
Michigan Auto Insurance Reform - Election Year Politics at its Finest

Here's How They Voted

The Michigan Legislature's voting record is listed below for final passage of S.B. 691 to amend Michigan's No-Fault Auto Insurance Law. Despite a threatened veto from Gov. Engler, 24 senators and 94 representatives voted yea on the legislation that would have subsidized urban drivers, increased costs for rural, farm insurance companies to open offices in urban areas and increased government involvement in private business. Michigan Farm Bureau had urged a nay (N) vote. (Y = Yea, A = Abstain)

State Senators

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<td>34 D Baric, James A.</td>
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<td>16 R Bouchard, Michael J.</td>
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<td>39 D Cherry, John</td>
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<td>25 D Corroy, Joseph.</td>
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<td>36 R McGregor, George</td>
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<td>20 D O'Brien, Michael J.</td>
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<td>29 D Posthumus, Dick</td>
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State Representatives

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The controversial Michigan Catastrophic Claims Association (MCCA), an organization in existence since July 1978, reimburses insurance companies for injury losses in excess of $250,000 under Michigan's unlimited medical benefits provision of the no-fault law. Each insurance company selling auto insurance in Michigan is required to be a member of this organization to share the costs of catastrophic medical claims. In essence, a reinsurance company was created strictly for Michigan's unlimited Personal Injury Protection coverage (PIP).

Insurance companies are assessed on a regular basis to pay for MCNA's present and future liabilities. Those costs are passed on to individual policyholders in the form of higher premiums. Many companies show the MCNA assessment as a separate charge on the billing notice sent to customers.

Since its creation, funds to the state mandated program have skyrocketed from a mere $3 per insured vehicle in 1978, to $44 in 1989, to $67 in 1990, to $110 in 1992.

Simply stated, the actual costs of catastrophic injury claims were grossly understated in earlier years because of lack of loss experience for unlimited coverage. It's estimated that 91 percent of such claims involve injury to the brain and/or spinal cord, which commonly results in serious and permanent disability, i.e., paralysis, coma, loss of speech, memory, etc.


Several ideas have surfaced in an attempt to bring costs under control including:
1. Establish a limitation on the amount which health care providers may charge for specific services rendered, similar to the workers compensation program already in effect.
2. Permit motorists to purchase a specific amount of uninsured/underinsured health care coverage, for a reduced premium instead of requiring insureds to purchase unlimited coverage.
3. Permit insurance to establish contractual agreements with health care providers which agree to provide services at a discounted price.
4. Establish a case management system for monitoring claim handling of the member insurers. This approach is designed to assure that statutory benefits are provided to injured persons as efficiently as possible.

To the great frustration of drivers everywhere in the state, Michigan lawmakers have again failed in their duty to enact genuine auto insurance reform. As this goes to press, Gov. Engler very appropriately vetoed the legislation's latest wreck: S.B. 691, a proposal that arbitrarily mandated a 15 percent rollback in auto premiums, calling it a "sham auto insurance bill."

By our analysis, the legislation contained provisions which would have subsidized the auto insurance costs of urban drivers and unfairly increased costs for rural and suburban drivers. In addition, the bill set a bad precedent of government involvement in private business operations by inappropriately dictating what private industry can charge for its products. Michigan citizens have been looking to state government to decrease its interference in the marketplace. But this measure took us in the opposite direction through provisions that mandated higher insurance company costs and, ultimately, consumer premiums.

S.B. 691 also required insurance companies to open sales offices in urban areas even though some companies, like Farm Bureau Insurers, have very successfully focused their efforts toward serving the specific needs of rural and suburban consumers.

Finally, it's important to point out, once again, that there is no such thing as a free lunch. Despite the claims of proponents, the bill did not enact Personal Injury Protection limits which were low enough to result in the promised 15 percent premium cost savings.

Farm Bureau continues to support real reforms which will genuinely reduce the cost of automobile insurance. We stand firmly opposed to rate subsidies and premium rollbacks. Farm Bureau members believe insurance consumers will benefit most from a free and open market place where insurer competition controls prices.

Premium rollbacks are an ineffective, temporary band-aid approach to the problem. Finally, it's important to point out, once again, that there is no such thing as a free lunch. Despite the claims of proponents, the bill did not enact Personal Injury Protection limits which were low enough to result in the promised 15 percent premium cost savings.

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If Michigan consumers are to receive genuine instead of phony reform of our auto insurance system, the following improvements to the no-fault law need to be adopted:

- Drivers should be allowed to select medical coverage limits they need and can afford. Under present law, all drivers are required to carry unlimited medical coverage on each insured vehicle. This mandated coverage has proven to be very expensive.
- Personal Injury Protection limits which were low enough to result in the promised 15 percent premium cost savings.
- Reversing the DiFranco court decision to allow a judge, not a jury, to determine whether a case is serious enough to require a lawsuit.
- Adopt a modified comparative negligence law, which allows the at-fault driver from pursuing a lawsuit.
- Adopt cost containment measures which would control medical expenses. Today, auto insurers pay more for the same medical service than is paid by Medicare, Medicaid and private insurance.

We support Gov. Engler's strong and mature leadership on the auto insurance issue. Farm Bureau members across the state need to express positive reinforcement to both the governor and the legislators who are courageously defying the pressures of the voting reform (April 15, 1992). At the end of the day, it must be remembered that true insurance reform requires authentic improvements in the no-fault law, not empty election year political promises.

Jack Laurie, President
Michigan Farm Bureau

State Mandated Coverage Increases $107 Per Vehicle Since 1978

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Simply stated, the actual costs of catastrophic injury claims were grossly understated in earlier years because of lack of loss experience for unlimited coverage. It's estimated that 91 percent of such claims involve injury to the brain and/or spinal cord, which commonly results in serious and permanent disability, i.e., paralysis, coma, loss of speech, memory, etc.

By the end of 1992, MCNA had paid out about $320 million for 1,189 claims. What isn't included, however, is the future costs of those injuries that are estimated to occur. By the end of 1991, there were 1,700 additional catastrophic losses which MCNA will have to pay in the future. Ultimately, the Michigan motorists an additional $12 billion.

Future liabilities of MCNA are increasing so fast that at the end of 1990, the organization was $900 million under-funded, according to the Michigan Association of Insurance Companies, meaning future MCNA assessments will grow faster still.

Michigan Farm News
April 15, 1992
Young People's Citizenship Seminar Student Search is On

Outstanding high school students eligible to attend the Michigan Farm Bureau Young People’s Citizenship Seminar, June 15-19 at Olivet College, will be participating in one of the finest programs offered for young people in Michigan. YPCS “graduates” return to their communities with the knowledge, commitment and enthusiasm for participating in the democratic process.

Eligible students are: high school juniors and seniors in the 1992-93 school year; interested in government, social and economic issues, and/or politics; potential leaders or those who participate well in large group settings; articulate and willing to speak to groups after the seminar; and from either a farm or non-farm background.

During the conference, over 200 young men and women will participate in mock voter registration, political party conventions, campaigns, and voting. Dynamic speakers, recognized as experts in the fields of economics, world cultures and governments, and personal growth will background the students on their role as citizens of the United States and the world.

The selection process varies from county to county, according to program manager, Julie Chamberlain. "Some students may be asked to prepare a written essay or take part in a personal interview."

County Farm Bureaus pay registration fees with the support of local businesses, leaving only transportation costs to be covered by the students themselves.

For application and program information, contact your county Farm Bureau office. But hurry! Registration deadline is May 1, 1992.

Don't Miss 4-H Exploration Days June 24 - 26

Visit our local CES office is looking for kids over 12 to attend the three-day youth conference, 4-H Exploration Days, at Michigan State University June 24-26.

"During 4-H Exploration Days, you’ll have a chance to develop valuable skills, make new friends, watch top-notch entertainers and much more," Assistant Director of Extension for 4-H Youth Programs Michael Tate said. "You can choose from 177 action-packed sessions from your interest areas!"

The program’s sessions, held on and off the MSU campus, are designed by 4-H staff and committee members with the help of MSU specialists. These people then serve as session instructors and helpers, giving 4-H members and leaders a higher quality of training than what is usually available in their local community, explained Tate.

**Exploration Days Objectives**

- To teach new ideas, techniques and skills that can be used in individual 4-H clubs and communities.
- Offer in-depth “action learning” in special interest areas.
- Give access to Michigan State University campus and its wealth of resources.
- Provide youth development experiences above and beyond what is available at the county or regional level.
- Develop leadership abilities and enhance personal growth.
- Offer a variety of leisure activities and the opportunity to meet new people.
- Create a better understanding of Michigan 4-H Youth Programs, Cooperative Extension Service and Michigan State University.

The total cost is $98 a participant. This fee covers meals from Wednesday lunch through Friday lunch and overnight housing at MSU residence halls, Wednesday and Thursday. Some scholarships are available through the CES.

Almost 3,000 youths, from all 83 Michigan counties, attended the program last year. Above, participants receive pointers on proper showing techniques during one of the approximately 177 sessions offered.

Program books and registration forms are available through your CES office. The last day to register, however, is May 1. Classes fill up quickly so register with your county CES office as early as possible.

**Topic Areas Offered**

- Leadership/Citizenship
- Leisure Education
- Lifestyle Issues
- Livestock
- Natural Resources and Environmental Education
- Performing Arts/Clowning
- Personal Appearance
- Photography
- Poultry and Pocket Pets
- Rabbits
- Shooting Sports
- Spaces
- Technology
- Teen Development
- Veterinary Science
- Visual Arts And Crafts
- Adult Seminars
Speaking during the College of Agriculture and Natural Resources' Luncheon, MSU President John DiBiaggio announced a major university effort to inventory current research projects, identify trends and future scenarios for Michigan agriculture, and then develop programs based on those findings.

Calling 1992 a year of change in defining the university's role with the government to meet the needs of the general public, DiBiaggio said the project will utilize CES field staff to develop more focused outreach priorities. "Over the next year, we will undertake a massive statewide process to identify the most pressing issues confronting our state and its communities," he said.

DiBiaggio cautioned that tighter budgets means the university desperately needs the input of Michigan residents in identifying the needs of the entire state, not just particular commodity interests or localities. "Because our resources are finite, the university will continue to increase, saying that he'd like nothing more than to announce a tuition freeze, but that he could not, "Over the next year, we will endeavor to announce a tuition freeze, but that he could not, because our resources are finite, the university needs the input of Michigan residents in identifying the needs of the entire state, not just particular commodity interests or localities. "Because our resources are finite, the university will continue to increase," he said.

DiBiaggio acknowledged that education costs at the land grant university will continue to increase, saying that he'd like nothing more than to announce a tuition freeze, but that he could not, "Over the next year, we will undertake a massive statewide process to identify the most pressing issues confronting our state and its communities," he said.

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