



# AGRIBUSINESS ASSOCIATION OF IOWA

## TAKE FIVE

A five-minute summary of AAI, regulation and industry activities for members of the largest state agribusiness association in the nation.

March 28, 2013

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### Legislative Update

The Agribusiness Association of Iowa's legislative team has been hard at work advocating on behalf of the membership on several issues this legislative session. The four main issues that they have focused on include a change in lifting retractable axles on equipment, the possibility of GMO labeling, implementation of a central filing lien system and funding to support the nutrient management strategy proposed by the Iowa Department of Land Stewardship (IDALS), Iowa Department of Natural Resources (Iowa DNR) and Iowa State University (ISU).

Central filing and GMO labeling are in effect dead issues for this session. No legislation was brought forward concerning the creation of a central filing lien system. AAI did register against two bills, [HF 463](#) and [SF 194](#), regarding GMO labeling which failed to make it through the funnel.

AAI has actively lobbied in favor of [HF 14](#) and [SF 239](#), which were mirror transportation bills concerning the lifting of retractable axles. This legislation will allow a vehicle or combination of vehicles to raise a retractable axle when necessary to negotiate a turn, provided the retractable axle is lowered within 1,000 feet of completing the turn. Such a vehicle is exempt from axle weight limitations while making the turn with a raised retractable axle, so long as the vehicle is in compliance when the retractable axle is lowered. AAI's legislative team is happy to report that this bill was passed unanimously by the Senate on Wednesday afternoon and has been sent to Governor Branstad for signature.

AAI supports the Nutrient Management Strategy which was released jointly this past November by IDALS, Iowa DNR and ISU and has been advocating for

appropriate funding to implement the voluntary practices outlined in the strategy. The goal of the strategy is to reduce the nitrogen and phosphorus load in our state's waterways from point and nonpoint sources through the adoption of voluntary practices which includes water quality watershed projects and soil conservation projects.

Funding related to the strategy will be part of the Appropriations Bill, which is not subject to the legislative funnel. Both chambers are very supportive of the strategy and continue to work in a bipartisan fashion to craft the funding legislation. To date, the chambers have agreed to Iowa Secretary of Agriculture Bill Northey's and Governor Terry Branstad's requests to provide \$2.4 million for fiscal year 2014 and \$4.4 million for fiscal year 2015 to fund the initiative. Additionally, the Senate Appropriations Bill, [SSB 1245](#), allocates an additional \$10 million for a Water Quality Special Projects fund, \$4 million to fund voluntary projects related to the Iowa Nutrient Management Strategy which will be overseen by the Iowa Watershed Improvement Board, and \$6 million for soil conservation projects. It is stipulated that 70% of the monies from the Water Quality Special Projects fund be allocated to projects based in high-priority watersheds and the remaining 30% to be allocated for other regional watershed improvement projects. The results of these demonstration projects will then be used as educational resources to encourage widespread implementation of the strategy's practices.

AAI and its legislative team will continue to advocate on behalf the membership and keep you informed of developments throughout the remainder of the legislative session.



## AAI Meetings & Events

AAI Offices Closed  
Friday, March 29

Foundation Run Meeting  
Tuesday, April 9  
10 a.m.  
Conference Call

AAI Board Meeting  
Wednesday, April 17  
10 a.m.  
AAI Offices

## DuPont and Monsanto Reach Technology Licensing Agreements on Next-Generation Soybean Technologies

DuPont and Monsanto have announced a series of technology licensing agreements that will expand the range of seed products they can offer farmers. The agreements include a multi-year, royalty-bearing license for Monsanto's next-generation soybean technologies in the United States and Canada.

Through these agreements, DuPont Pioneer will be able to offer Genuity® Roundup Ready 2 Yield® soybeans as early as 2014, and Genuity® Roundup Ready 2 Xtend™ glyphosate and dicamba tolerant soybeans as early as 2015, pending regulatory approvals.

DuPont Pioneer also will receive regulatory data rights for the soybean and corn traits previously licensed from Monsanto, enabling it to create a wide array of stacked trait combinations using traits or genetics from DuPont Pioneer or others. Monsanto will receive access to certain DuPont Pioneer disease resistance and corn defoliation patents.

Under these agreements, DuPont Pioneer will make a series of upfront and variable

based royalty payments subject to future delivery of enabling soybean genetic material. It will make four annual fixed royalty payments from 2014 to 2017 totaling \$802 million for trait technology, associated data, and soybean lines to support commercial introduction. Additionally, beginning in 2018, DuPont Pioneer will pay royalties on a per unit basis of Genuity Roundup Ready 2 Yield® and Genuity Roundup Ready 2 Xtend™ for the life of the agreement for continued technology access, subject to annual minimum payments through 2023 totaling \$950 million. DuPont is filing a Form 8-K containing additional information about the impact of these agreements on the company. A copy of the 8-K is available on the DuPont Investor Center at [www.investors.dupont.com](http://www.investors.dupont.com).

DuPont and Monsanto also agreed to dismiss their respective antitrust and first-generation Roundup Ready® soybean patent lawsuits pending in U.S. federal court in St. Louis.

Additional terms of the agreements were not disclosed.

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## Hawaii GMO Labeling Bill Tabled

Last week, the Hawaii Senate agriculture, consumer protection and health committees decided to table a bill that would have required package labeling imported genetically modified foods after a joint hearing on the issue.

Sen. Rosalyn Baker, chairwoman of the consumer protection committee, says lawmakers are worried about how labeling might hurt the island's food industry. She

says instead of a bill, senators are going to push a resolution to ensure that more research is done about genetically modified organisms (GMOs).

Hawaii Attorney General David Louie had advised lawmakers in a letter that the bill likely violates the U.S. Constitution's provision on interstate commerce and may also violate businesses' right to free commercial speech.