



July 14, 2008

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The Honorable Edward T. Schafer
U.S. Secretary of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Mr. Secretary:

Our organization, the Minnesota Agri-Growth Council, and the 200-plus businesses, associations and producers that we represent are requesting for the removal of penalties for the early release of non-environmentally sensitive cropland from the Conservation Reserve Program (CRP). U.S. Department of Agriculture reports are confirming this year's basic crops are confronting enormous, unprecedented challenges, and an early-out CRP option will be a way to help face these challenges.

We appreciate your recent support to allow haying and grazing on a portion of CRP land, as it will provide livestock producers with some relief from increasing feed costs. However, this is not enough to reduce the pressure on the livestock industry or the increased feed cost pressures on other areas of the food and agriculture industry.

We believe that an increased effort must be taken soon to make sure our nation's crop production meets demand of both food and fuel. A portion of the 1.2 million CRP acres that expire in September may go back into crops. But, much more acreage is needed to help better balance the supply and demand for grains and oilseed.

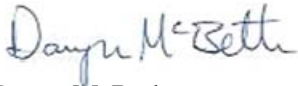
It would be a worthwhile move to allow for the early release of non-environmentally sensitive CRP cropland, penalty free, as it would encourage supply increases and then allow producers to benefit from strong market demand. However, we urge you to not delay in your decision, since soon it will be too late for CRP contract-holders to prepare their land for crop production this fall and the coming spring.

As you know, USDA estimates for corn, wheat and soybeans will remain extremely tight. While we hope for a good harvest, we know crop production levels will be lower due to floods in the Midwest.

Consumers will not be protected from this supply and demand dilemma. Their food costs will continue to increase. Since February, USDA raised its forecast for food inflation from 3.5 percent to 5 percent.

The Minnesota Agri-Growth Council looks forward to working with you to promptly provide an early-out, penalty-free option for non-environmentally sensitive CRP cropland. Our member producers, businesses and associations believe that given the current and anticipated crop supply conditions, increased flexibility for CRP contracts will allow producers to better meet the unprecedented growth and demand for agricultural commodities. We urge timely action on this request.

Sincerely,

A handwritten signature in blue ink that reads "Daryn McBeth". The signature is written in a cursive style.

Daryn McBeth
President

Cc: Charles F. Conner, Deputy Secretary
Dr. Mark E. Keenum, Under Secretary for Farm and Foreign Agricultural Services
Dr. Joseph W. Glauber, Chief Economist