



**National Cattlemen's
Beef Association**

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Beltway Beef is a weekly report from Washington, D.C., giving an up-to-date summary of top policy initiatives concerning the cattle industry; direct from the National Cattlemen's Beef Association (NCBA). Please feel free to reprint in full or in part. If you would like to include NCBA's logo, contact us at 303-694-0305.

Beltway Beef



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Cattlemen's Capitol Concerns

House Committee Backs Grazing Bill — NCBA, PLC Commend House Vote

The U.S. House Natural Resources Committee passed by a 27 to 15 vote Thurs., June 7, 2012, the Grazing Improvement Act (H.R. 4234). The bill will now proceed to the full U.S. House of Representatives. The National Cattlemen's Beef Association (NCBA) and the Public Lands Council (PLC) commended the commonsense, bipartisan bill. According to PLC Executive Director and NCBA Director of Federal Lands Dustin Van Liew, the legislation would increase efficiencies in the federal lands grazing permit process and creates a more stable business environment for the ranchers who manage federal lands and its resources.

"Public lands ranchers are tasked with an enormous amount of responsibility. Not only are they responsible for providing for their families and contributing wealth to the U.S. economy, they are tasked with maintaining and improving the land,

wildlife habitat, water quality and so much more," said Van Liew. "This legislation simply creates an environment that will allow ranchers to become better stewards of the land without the overload of red tape and bureaucracy."

Congressmen Raul Labrador (R-Idaho) and 14 lawmakers from both sides of the political aisle cosponsored the legislation, which is a companion to Senator John Barrasso's (R-Wyo.) Grazing Improvement Act (S. 1129).

John Falen, PLC president and NCBA member from Nevada, said for more than a decade federal lands ranchers have relied on language being included in the annual appropriations bills to allow the U.S. Forest Service and the Bureau of Land Management to renew grazing permits on federal lands under current terms and conditions until the renewal process is complete. Falen said

the Grazing Improvement Act codifies that language, extends the life of grazing permits from 10 to 20 years and provides management flexibility to land management agencies.

"This commonsense legislation will provide certainty to livestock producers, ensuring them that bureaucrats are not going to pull them under the grazing permits they rely on to raise healthy animals," Falen said. "We look forward to working with Congressman Labrador to pass the Grazing Improvement Act through the full U.S. House of Representatives."

In an attempt to increase financial burdens on federal lands ranchers, Rep. Ed Markey (D-Mass.) offered an amendment to increase the grazing fee by 75 percent. The amendment was solidly rejected by a bipartisan majority, which Van Liew calls a victory for ranch families in the West.

House Committee Rejects Manipulation of Clean Water Act, Urges Accountability

In what National Cattlemen's Beef Association (NCBA) President J.D. Alexander calls a "victory vote" for the U.S. beef cattle community, the U.S. House Committee on Transportation and Infrastructure today passed, by a 33 to 18 vote, legislation (H.R. 4965) introduced by U.S. Congressmen John Mica (R-Fla.), Nick Rahall (D-W.V.), Frank Lucas (R-Okla.), Collin Peterson (D-Minn.) and Bob Gibbs (R-Ohio). The bipartisan legislation (H.R. 4965), which is strongly supported by NCBA and the Public Lands Council (PLC), would prevent the Environmental Protection Agency (EPA) and the Army Corps of

Engineers (Corps) from using their clean water guidance to expand the regulatory regime under the Clean Water Act (CWA). Alexander said the legislation would stop EPA's intentional avoidance of the rulemaking process and Congress.

"The problem with EPA is accountability. This administration has made clear its preference to use guidance documents as opposed to going through the rulemaking process. This allows the activists turned government officials to avoid public scrutiny and bypass the consideration of legal, economic and

unintended consequences," said Alexander, who is also a Nebraska cattleman. "This is a clear violation of the Administrative Procedures Act."

The document that triggered this bipartisan legislation was the CWA jurisdictional guidance. The draft, which was proposed by EPA and the Corps April 26, 2011, is expected to be finalized soon. The guidance essentially attempts to give EPA and the Corps jurisdiction over all types of waters and many features not waters at all. The next step for H.R. 4965 is a vote by the full U.S. House of Representatives.

Senate Prepares to Tackle Farm Bill — Senate Ag Committee Touts Farm Bill Ahead of Amendment Process

The leaders of the U.S. Senate Committee on Agriculture stood before the media on Wed., June 6, 2012, during a news conference to promote their version of the 2012 Farm Bill. Chairwoman Debbie Stabenow (D-Mich.) and Ranking Member Pat Roberts (R-Kan.) touted the financial scale back of nearly \$24 billion in taxpayer dollars. Sen. Roberts attributed the savings in-part to eliminating four commodity subsidy programs and condensing them into “one, more efficient program.”

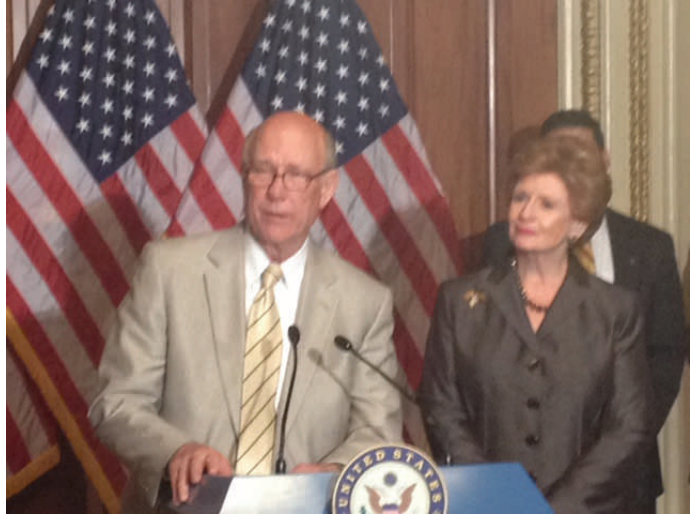
“No other committee, in the House or Senate, has voluntarily undertaken programmatic and funding reforms at this level in this budget climate,” said Sen. Roberts, who is on his seventh farm bill.

Some reports indicate the Senate farm bill process will continue through June, but Sen. Roberts said his goal was to have the process completed by next Thursday. Senators Stabenow and Roberts expressed confidence that the “bipartisan bill” will garner the 60 Senate votes needed to proceed with its consideration, which is scheduled to occur today. The question left mostly unanswered is the amendment process. Sen. Roberts stated that is not known how many amendments will be allowed.

“Both of us agreed that if the number of amendments doesn’t get too big, then we can accommodate that,” Roberts said. “I’d prefer that all

non-germane amendments to agriculture be considered in a separate venue, but that’s not possible.”

The 2008 Farm Bill will expire at the end of September, which is reason enough to move quickly, according to Stabenow. She referred to the legislation repeatedly during the news conference as a “jobs bill.” She said, “The time for reform is now.”



Legislative Watch

H.R. 1259 / S. 2242 – Death Tax Repeal Permanency Act

To fully and permanently repeal the estate tax.

NCBA urges a **YES** vote on the Death Tax Repeal Permanency Act

Key Sponsors: Rep. Kevin Brady (R-Texas), Sen. John Thune (R-S.D.)

S. 1129 / H.R. 4234 – Grazing Improvement Act

To make improvements to the efficiency and stability of the federal lands grazing permit process.

NCBA urges a **YES** vote on S. 1129 / H.R. 4234. Key Sponsors: Sen. John Barrasso (R-Wyo.), Rep. Raul Labrador (R-Idaho)

S. 2245 / H.R. 4965 – Preserve the Waters of the United States Act

To prevent the Environmental Protection Agency and the Army Corp of Engineers (Corps) from using their “guidance” document to expand their jurisdiction of waters under the Clean Water Act.

NCBA urges a **Yes** vote on S. 2245. Key Sponsors: Sens. John Barrasso (R-Wyo.), Dean Heller (R-Nev.), Jim Inhofe (R-Okla.) and Jeff Sessions (R-Ala.) and Reps. John Mica (R-Fla.), Nick Rahall (D-W.V.), Frank Lucas (R-Okla.) and Collin Peterson (D-Minn.)

H.R. 5381 – Commonsense Legislative Exceptional Events Reforms Act of 2012 (CLEER Act)

To amend the Clean Air Act to exempt exceptional event demonstrations, like dust storms, and for other purposes.

NCBA urges a **YES** vote on the CLEER Act

Key Sponsor: Rep. Jeff Flake (R-Ariz.)

For a full list of legislation NCBA is monitoring [click here](#).

New on the Web

Check out the [Beltway Beef blog](#) for inside perspectives on issues affecting U.S. cattlemen and women. You will find updates on legislation to amend the Clean Air Act and more. You can sign up on the blog to receive an email when new information is posted. You can

also follow us on [Twitter](#), be a fan of us on [Facebook](#), check out our latest photos on [Flickr](#) or watch video updates on our [YouTube](#) page. For audio, visit and subscribe to the Beltway Beef [Podcast](#). You can also subscribe to our [podcast](#) on iTunes.

Defining Beef's Future

By NCBA CEO Forrest Roberts



Last year, we took a big step toward not only putting a stake in the ground to determine where we are, but also setting a course for the future. As an industry, we have set forward the Beef Industry Long-Range Plan (LRP) with six key goals we will be working to achieve through 2013.

These LRP goals include:

- Increasing the Consumer Beef Index preference measure from 28 percent to 31 percent
- Increasing the value of exports by 25 percent per head
- Developing an index to measure and track our industry's freedom to operate
- Measuring public perceptions of beef and beef production
- Establishing a benchmark of industry stakeholder perceptions of unity and trust.

The key goals above are designed to enable cattlemen and women the opportunity to begin working toward the final goal of increasing bred heifer retention to 18 percent, while stabilizing U.S. beef production at a minimum of 26 billion pounds.

We certainly take our role at the National Cattlemen's Beef Association very seriously with the implementation phase of this LRP. In the first half of 2012, that's exactly what we've been doing. With that in mind, our first job was to examine the changes in our industry structure and further study the implications of these infrastructure changes for global beef demand. We've taken into consideration domestic and international economic trends, current food trends and the ultimate impact of those trends on U.S. beef markets now and in the future.

While this economic outlook is important, there are other factors that are equally significant, such as identifying

potential threats to global beef demand as well as consumer perceptions of beef and beef production. By better understanding the entire playing field, we will help define the scope of future work and the required resources to get the job done!

We've been defending beef's brand a lot recently. We've faced issues from lean, finely-textured beef and *bovine spongiform encephalopathy* to questions about cold binding agents as well as the use of production technologies to feed a growing global population, just to name a few. In each case, NCBA and our industry partners have worked together to protect beef's image while continuing to grow consumer demand at home and abroad.

Our mindset has been and continues to be focused on doing everything we can, with everything we have, and learning from our past experiences. Our work continues to create a business environment in the United States where the beef industry can thrive, we'll be better able to address the challenges facing us and we will be better positioned to fend off negative campaigns against our products and practices, while preventing activists from defining the future for us.

That is why all of our energy is completely focused on achieving the LRP goals while making certain we have a sustainable future for the generations ahead. By doing so, the ultimate outcome from all of this effort is to create opportunities for growth within the beef industry, opportunities that will continue to yield growth now and in the future.

CattleFax Update

On Wed., June 6, market prices were significantly higher as rumors of a third European bailout and China economic stimulus circle. Live cattle futures traded \$0.20 to \$0.50/cwt. higher.

Feeder cattle futures contracts traded more than \$0.60/cwt. lower. The CME reported the Feeder Index at \$153.88/cwt., up \$0.04.

The boxed beef cutout was mixed on ample volume.

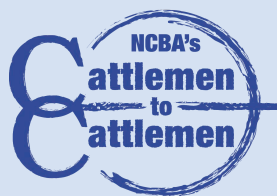
Grains traded higher. Corn futures added about \$0.19/bu. on old crop and new crop traded about \$0.13 bu. higher. Soybean futures traded more than \$0.35/bu. higher. Chicago and Kansas City wheat futures both traded more than \$0.11 higher.

For recent market news and analysis, visit www.CattleFax.com.

Don't Miss Out on NCBA's Cattlemen to Cattlemen!

Don't miss NCBA's *Cattlemen to Cattlemen* June 12 -16, 2012. This episode includes educational segments from Merck Animal Health with information on fighting cattle parasites and stopping pinkeye.

NCBA's *Cattlemen to Cattlemen* debuts each Tuesday at 8:30 p.m. The show also airs Wednesday at 10:30 a.m. and on Saturday at 9 a.m. (all times are Eastern). Don't forget that you can also [watch NCBA's Cattlemen to Cattlemen online](#) anytime by visiting our website. Follow us on [Twitter](#) and become a fan on [Facebook](#).



Your NCBA

NCBA-PAC In Action: Deb Fischer (R-Neb.), who is running for seat in the U.S. Senate, is a NCBA member and a lifelong rancher from Nebraska. She, along with U.S. Senator Mike Johanns, met with NCBA leadership and representatives of Nebraska Cattlemen to discuss her priorities if elected to the U.S. Senate.

Registration Open for 2012 Cattle Industry Summer Conference: Register today to attend the 2012 Cattle Industry Summer Conference July 25-28 in Denver, Colo. At this meeting, cattlemen and women discuss policy priorities and lay the framework for policy decisions at the annual convention. [Click here](#) to register to attend the 2012 Cattle Industry Summer Conference.

Young Cattlemen's Conference: The 33rd class of NCBA's Young Cattlemen's Conference is in Washington, D.C., this week meeting face-to-face with their elected leaders to advocate for commonsense decision-making in Washington, D.C. [Check out the photos](#) from the D.C. portion of the trip.



Above: NCBA Vice President of Government Affairs Colin Woodall, NCBA Vice President Bob McCan, U.S. Senator candidate Deb Fischer (R-Neb.), U.S. Senator Mike Johanns (R-Neb.) and Nebraska Cattlemen Executive Vice President Michael Kelsey.



National Cattlemen's Beef Association

The National Cattlemen's Beef Association (NCBA) has represented America's cattle producers since 1898, preserving the heritage and strength of the industry through education and public policy. As the largest association of cattle producers, NCBA works to create new markets and increase demand for beef. Efforts are made possible through membership contributions. To join, contact NCBA at 1-866-BEEF-USA or membership@beef.org.