



**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

VOLUME 2, ISSUE 23

JUNE 14, 2012

Cattlemen's Capitol Concerns

Farm Bill Amendment Could Jeopardize Land Stewardship

Senator Tom Coburn (R-Okla.) introduced an amendment (#2253) to the 2012 Farm Bill that could potentially jeopardize farmers' and ranchers' ability to partner with the federal government to make improvements to land and its natural resources.

The amendment would eliminate the Environmental Quality Incentives Program (EQIP), which according to [National Cattlemen's Beef Association](#) (NCBA) Vice President of Government Affairs Colin Woodall, has been a successful and effective tool for landowners seeking technical and financial assistance to implement sound conservation practices.

"Healthy natural resources provide a healthy watershed and renewable source of feed for livestock and wildlife," said Woodall. "Cattlemen and women are committed to responsibly using and conserving land and its resources."

Woodall said farmers and ranchers are "the best stewards of the land," and programs like EQIP increase the implementation of innovative land management tools on farms and ranches throughout the country.

"EQIP allows farmers and ranchers to leverage their own financial investments with federal dollars to make improvements to their land, water

and natural resources," said Woodall. "This program has few enemies as it is a win-win for the environment and overall sustainability of family-owned farms and ranches."

He said NCBA will continue to work with members of the Senate to educate them about the important cost-sharing program. Woodall said the amendment process of the Senate version of the farm bill is "fluid," but expects the amendment to come to a vote of Tues., June 19, 2012. NCBA is encouraging interested stakeholders to contact their respective senators to urge a vote against this amendment.

NCBA Opposes Federal Mandate on Animal Agriculture — Sen. Feinstein Sides Against Cattlemen

Tom Talbot, chairman of the National Cattlemen's Beef Association (NCBA) Cattle Health and Well-Being Committee, said despite challenges cattlemen and women face, raising healthy cattle is and always has been a top priority. Talbot, who is a veterinarian and California cattle rancher, is appalled that animal care could be taken out of the hands of experts and placed in the control of the federal government. Specifically, Talbot is referring to amendment 2252 to the 2012 Farm Bill offered by Sen. Dianne Feinstein (D-Calif.). The amendment, which would mandate on-farm production practices, was also introduced as legislation, Egg Products Inspection Act Amendments of 2012

(S. 3239 and H.R. 3298), by Sen. Feinstein and Congressman Kurt Schrader (D-Ore.).

Talbot said while cattlemen make it their top priority to care for their animals, there are organizations that attempt to paint a different picture of animal agriculture. Talbot said the amendment to the farm bill would codify an agreement entered into by the Humane Society of the United States and the United Egg Producers to seek federal legislation to mandate egg production practices. Talbot said the agreement creates a slippery slope to allow the federal government to mandate on-farm production practices for all sectors of the agricultural industry.

"This legislation opens up Pandora's Box on Capitol Hill. While this bill currently only applies to the egg industry, it's not a far stretch to see it applied to all animal agriculture," Talbot said. "Cattlemen proactively worked with veterinarians and cattle health experts to develop production guidelines. We worked together to improve our industry. Unfortunately, a one-size fits all federal mandate telling farmers and ranchers how to do their jobs is not acceptable."

Talbot said he is disappointed in Sen. Feinstein and urges all U.S. senators to side with family farmers and ranchers by rejecting amendment 2252 to the farm bill and the legislation altogether.

Use Science in Regulating Antibiotics — Ag Coalition Stands Firm on Judicious Use of Antibiotics

A coalition of agricultural organizations sent a letter yesterday to Rep. Louise Slaughter (D-N.Y.), who is seeking to restrict severely antibiotic use in livestock and poultry production, pointing out the stringent federal approval process and regulation of antibiotics, the lack of human health risks from their judicious use in livestock production and the benefits they offer in food animal production.

Members of the coalition include the American Farm Bureau Federation, American Feed Industry Association, American Meat Institute, Animal Health Institute, American Veterinary Medical Association, National Cattleman's Beef Association, National Chicken Council, National Milk Producers Federation, National Pork Producers Council, National Meat Association and the National Turkey Federation.

Slaughter in February asked food companies to submit to her by June 15 their purchasing policies related to antibiotic use in food animals. She is the primary author of the "Preservation of Antibiotics for Medical Treatment Act" (H.R. 965), which seeks to ban the use in livestock and poultry production of several classes of antibiotics employed for preventing and controlling diseases and for promoting nutritional efficiency.

"Antibiotic used in veterinary medicine are reviewed and approved

by the U.S. Food & Drug Administration (FDA)," the coalition stated in its letter. For animal antibiotics, the safety assessment is more stringent than that for human antibiotics in three ways: 1) If there are risks to humans, FDA will not approve the antibiotic for animals; 2) FDA requires a food safety assessment to ensure meat is safe; and 3) FDA studies the pharmaceutical thoroughly to guarantee it does not increase the risk of antibiotic-resistant bacteria in food. The coalition further explained that FDA recently issued new regulations that effectively prohibit the use in food animals of "medically important" antibiotics for improving nutritional efficiency. The rules also ensure veterinarians will be involved in overseeing all uses of these products.

The coalition cited several published, peer-reviewed risk assessments showing any threat to human health from antibiotic use in livestock and poultry production is negligible, and pointed out many of the bacterial illnesses becoming resistant to antibiotics in human medicine have little or no link to antibiotic use in food animals.

[Click here](#) to view the full response letter.

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.

Rough Road Ahead for Highway Bill

By Kent Bacus, NCBA Associate Director of Legislative Affairs

In November 2011, I wrote a somewhat optimistic article about the Highway Bill and the positive momentum it was gaining in both the U.S. House and Senate. For the first time in several years, it seemed as if meaningful transportation reform was within reach — an opportunity to lift unnecessary and burdensome transportation rules from farm and ranch operations. Unfortunately, six months have passed and all we have witnessed are extensions of current transportation law and continued discussions between House and Senate negotiators.

The question remains if Congress will be able to overcome what seems to be insurmountable differences and manage to secure enough votes to pass the bill in both houses and still manage to secure President Obama's signature at the end of the day. The Capitol Hill spin, both positive and negative, causes even the most seasoned D.C.-insiders to hedge their bets on how House and Senate leaders will manage their ever-growing to-do list.

Senator Barbara Boxer (D-CA), who is leading Senate negotiators, suggests that negotiations will conclude with a successful Highway Bill before the end of June, and that the main reason for the holdup is stubborn House Republicans. On the other side of the Hill, House Republicans suggest that Senate negotiators are to blame for not working with them on important provisions like the Keystone Pipeline. Regardless of who you believe, only one truth remains, the current Highway Bill will expire at the end of June. If Congress fails to pass a Highway Bill, what should we expect?

Without question, neither party can afford the political ramifications of being labeled a job killer by letting transportation laws expire. That being said, it is highly probable that we will see another extension of the current Highway Bill. Before I speculate on the length of the Highway Bill extension, let us consider all of the other priorities on Congress's to-do list that must be accomplished in the next few months.

- Congress must find a way to fund the federal government. The fiscal year begins on October 1. Prior to October 1, Congress is supposed to set a budget for the federal government and appropriate funding to each section of the federal government within the budgetary guidelines. The Senate has not yet passed a budget, and both Houses still have numerous appropriations bills to pass prior to the October 1 deadline. If Congress fails to pass the appropriations bills, they may very well pass a

short term extension through December to prevent the government from shutting down right before Election Day.

- Following the heated budget debate of last year, Congress will probably continue to focus efforts on budget sequestration which means major cuts to defense spending and domestic spending. Not a comfortable topic during election year, but a top priority nonetheless.
- Congress must also pass a new Farm Bill prior to October 1 or pass an extension of current Farm Bill law to avoid 1940's farm laws from kicking in — a fate the agriculture industry desperately wants to avoid.
- In order to avoid a credit downgrade, Congress may also have to consider increasing the debt ceiling beyond the current ceiling at \$16.394 trillion. Treasury Secretary Tim Geithner has said he estimates that U.S. borrowing could hit the debt ceiling by the end of 2012.
- As most of you recall, some of the major provisions of the tax code will expire at the end of 2012. Most notably, the 2001 & 2003 income tax cuts, the current estate tax relief, capital gains rates, and many other key provisions will expire unless Congress acts.

This is a lot to accomplish in a non-election year, much less in an election year when the entire U.S. House of Representatives, a third of the U.S. Senate, and the White House are up for a vote. Now take into perspective how long Congress will actually be in session. Realistically, they are left with only a few weeks in November and December to take care of a long list of important items.

Speaker of the House John Boehner stated last week that if House and Senate negotiators fail to meet the June 30 deadline he will call for a six month extension of the Highway Bill. That means that Congress would have to either squeeze in the Highway Bill after Election Day or vote on another extension in December, pushing the Highway Bill into the next Congress.

For months, I have been looking forward to writing a positive follow-up on the Highway Bill, highlighting the benefits for the beef industry and sharing in that breathe of relief that our ranching families have sought for so long. As frustrating as it may be, that day is still to come. I encourage you to put this all into perspective as you hear the prognosticators predictions on what will and won't happen in Congress.

Will Rogers once said, "An economist's guess is liable to be as good as anybody else's." I guess you can say the same about D.C. pundits and this lobbyist.

CattleFax Update

On Wed., June 14, market prices ended mostly lower on the day. Live cattle and feeder cattle futures traded about \$2.50/cwt. lower.

The Chicago Mercantile Exchange reported the Feeder Index at \$154.66/cwt., up \$0.02. The boxed beef cutout was mixed, while the Choice-Select spread continues to run above \$15.

Grains traded mixed to lower. Corn futures added about \$0.09/bu. on old crop and new crop traded about \$0.12/bu. lower. Soybean futures traded more than \$0.27/bu. lower. Chicago and Kansas City wheat futures both traded flattish.

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 19-23. Join NCBA Chef Shenoa French as she cooks up this year's most popular beef recipes.

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: During the Young Cattlemen's Conference last week, the NCBA-PAC held its annual auction. The PAC raised nearly \$60,000 at the event. A big thank you goes to all YCC participants who participated in the auction and to the individuals and associations that donated items.

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.



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.