



**National Cattlemen's
Beef Association**

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Contacts:

Mike Deering,
mdeering@beef.org

Cristina Llorens,
cllorens@beef.org

202-347-0228

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.



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Cattlemen's Capitol Concerns

Cattle Industry Summer Conference Underway

Hundreds of cattle producers are gathering in Denver, Colo., to help create direction for cattle industry programs at the 2012 Cattle Industry Summer Conference July 25-28.

More than 650 producers and other industry participants have pre-registered for the event, which includes meetings of the National Cattlemen's Beef Association (NCBA), Cattlemen's Beef Board, American National CattleWomen and National Cattlemen's Foundation.

Among the purposes of the yearly conference is to create a framework for both checkoff and policy efforts on behalf of U.S. cattle producers for the 2013 fiscal year, which for NCBA and the Cattlemen's Beef Board begins

Oct. 1.

The keynote speaker at Thursday's Opening General Session is Dr. Jay Lehr, a futurist in agriculture, who will speak on "Mega Trends in Agriculture: Implications for the Beef Industry."

At Friday's general session, Cattle-Fax Senior Market Analyst Kevin Good will provide an overview of the cattle market, as well as describe how the drought is affecting the entire industry.

"This year's summer conference will provide a chance for producers to learn as well as a chance to lead," according to J.D. Alexander, a beef producer from Pilger, Neb., and NCBA president. "This is definitely a working session at which important strategies for future action are developed."

During General Session II on Friday, W.D. Farr Scholarships will be presented to two graduate students by the National Cattlemen's Foundation. The \$12,000 scholarships are presented to students who want to further their educations in order to pursue careers in meat science and animal agriculture. General Session II is sponsored by Bayer Animal Health.

Joint Committees and Subcommittees will meet on Friday to develop proposals for 2013 checkoff-funded research, education and promotion programs. Also on Friday NCBA policy committees will meet to determine priorities and discuss strategies for the 2013 years.

NBQA Documents Improvement, Establishes Critical Benchmarks for Industry

Audits conducted every five years through the Beef Checkoff Program have validated efforts to improve beef quality over the past two decades. The most recent audit, conducted in 2011 and released during a session at the 2012 Cattle Industry Summer Conference in Denver on July 26, shows that while the industry continues to make progress, there is still room for improvement.

The 2011 [National Beef Quality Audit](#) (NBQA) results show that significant improvements have been made in producing safe and wholesome meat that is consistently higher in quality, as proven by several measurable standards. Still, the three-phase checkoff-funded research, which took nearly a full year to complete and examined all facets of beef production, found there were several

aspects – many associated with channel communication and consumer trust – on which the industry could improve.

"The National Beef Quality Audit has always been the gold standard by which problems in the beef production chain have been identified for the past 20 years," said Dr. John Maas DVM, who is a Veterinarian/Specialist in Cooperative Extension at University of California, Davis and Chair of the Producer Education Committee.

Maas noted that the 2011 NBQA, a comprehensive examination of cow-calf, stocker, feedlot, packing and retail segments, showed that significant progress has been made in areas such as improved animal handling and attention to final product quality over the past 20 years.

A shifting consumer landscape means that the beef industry faces a moving target with regard to meeting consumer demands and Maas said the 2011 NBQA includes important messages for each of the five industry segments surveyed.

Specifically, he said every sector needs to be aware that their production practices can and do have a major impact on the finished beef product.

"Consumers need to be assured that the industry is doing everything it can, on its own, with its own funding to make sure we're providing one of the best protein products in the world," said Maas.

Cattle Ranchers Honored for Outstanding Environmental Stewardship — Program Encourages Producers to Practice Conservation Initiatives

Cattlemen and women from across the country were recognized today for their commitment to environmental stewardship during an award ceremony for the National Cattlemen's Beef Association's (NCBA) Environmental Stewardship Award Program (ESAP).

Now in its 22nd year, ESAP was created to recognize beef producers who make environmental stewardship a priority on their farms and ranches while they also improve production and profitability. The Environmental Stewardship Award annually recognizes the outstanding stewardship practices and conservation achievements of U.S. cattle producers from across the nation. Regional and national award winners have been commended for their commitment to protecting the environment and improving fish and wildlife habitats while operating profitable cattle operations. The common trait among all winners is the desire to leave the land in better shape for future generations while also inspiring the next generation of land stewards.

"The environment and conserving natural resources are of high importance to cattlemen and women, because these resources

directly affect their bottom-line," said John Wallace, representative of Dow AgroSciences, which sponsors the program. "Also, education is one of the most important components of this program. By conducting education summits and workshops, it allows producers to tell their stories and learn new opportunities to be green."



During the Cattle Industry Summer Conference, seven regional Environmental Stewardship Awards were presented. Sparrowk Livestock (Clements, Calif.); Circle Square Ranch (Ocala, Fla.); Funk Farms Trust (Shirley, Ill.); Bold Ranch (Winifred, Mont.); Slovek Ranch (Philip, S.D.); 77 Ranch (Blooming Grove, Texas); and Glenowen Farm (Round Hill, Va.). A national award winner will be recognized during the 2013 Cattle Industry Annual Convention and NCBA Trade Show that will be held Feb. 6-9 in Tampa, Florida.

The award program is sponsored by Dow AgroSciences, Natural Resources Conservation Service and the U.S. Fish and Wildlife Service.

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 – 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. Key Sponsors: Sen. John Barrasso (R-Wyo.)

H.R. 6083 – Federal Agriculture Reform and Risk Management Act

The House version of the 2012 Farm Bill. NCBA urges a **YES** vote on H.R. 6083. Key Sponsors: Frank Lucas (R-Okla.)

H.R. 4278 — Preserving Rural Resources Act of 2012

Amends the Federal Water Pollution Control Act (commonly known as the Clean Water Act) to replace a requirement that a permit be obtained for any discharge of dredged or fill material into the navigable waters incidental to any activity having as its purpose bringing an area of such waters into a use to which it was not previously subject and where the flow or circulation of such waters may be impaired or the reach of such waters may be reduced with a requirement that a permit be obtained for any such discharge that is not currently exempted from permit requirements. NCBA urges a **YES** vote on H.R. 4278 Key Sponsors: Rep. Robert Hurt (R-Va.)

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 border security and a comprehensive rule for BSE. 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.

The Protect Interstate Commerce Act Offers State Trade Solution

By Rep. Steve King (R-Iowa)

The food standards maintained by the United States Department of Agriculture (USDA) and the United States Food and Drug Administration (FDA) keep food in our country safe. Imagine going to the grocery store, and instead of finding several varieties of food products, only certain brands are available and many are out of stock. This is exactly what is happening in Europe. The Wall Street Journal has reported that egg prices have jumped as much as 76.5 percent as of March of this year, and the price of eggs has more than doubled in the Czech Republic from 2011 to 2012, the result of costly over regulation of chickens.

Our Founding Fathers understood states would erect trade barriers against each other. That is why the enumerated power of Congress, to exclusively regulate interstate commerce, is enshrined in our Constitution. They knew that if states were left to themselves, the temptation to erect trade barriers in an effort to protect the interests of the producers within their borders would be hard to overcome. And they knew that, in doing so, the states would stunt the growth of our nation's economy and put America at a competitive disadvantage on the world stage.

No matter what state they live in, consumers in America should be provided with the choices they want to make at the grocery store. The United States Constitution gives Congress the power to "regulate commerce... among the several states" (Article II, Sec. 8, Clause 3). In recent years, we have seen a movement growing among several states to exercise broad new trade protection powers in regulating products including ethanol, pork, beef, poultry, and eggs from entering their borders from other states. I saw that some states are ignoring the commerce clause and creating their own restrictions on agriculture products. For more than a year, I refined the solution. During the marathon markup of the 2012 Farm Bill, I offered an amendment that reinforces the appropriate role of the Commerce Clause, and simply says that states cannot regulate the trade of agricultural products from another state based on that products means of production.

The Protect Interstate Commerce Act (PICA) prohibits a state from enacting laws that place any restrictions on the means of

production for agricultural goods that are sold within its own borders but are produced in other states. For example, California has passed a law mandating that no eggs can be brought into or sold in the state if they are not laid by hens housed in "humane" facilities and has given farmers until 2015 to comply with these new standards. This restriction places an incredible burden on farmers across the nation to spend up to as much as \$40 per hen to completely restructure entire farming operations. Regardless of how they're produced, eggs are already regulated by the Federal Egg Inspection Act, which ensures all eggs entering interstate commerce are safe for the consumer. States will be prohibited from a state-by-state haphazard patchwork of means

of production regulations that will severely undermine our nation's economy. It is unconstitutional for Iowa farmers, for example, who strenuously work to follow the law, to be told by other states how to care for their animals. This law dramatically impacts American producers, and my amendment will help farmers across the nation produce safe and healthy products that will continue to be sold in all 50 states and also restores the Commerce Clause as it is written in the Constitution.

It is important to note, however, that PICA would not prevent a state from implementing its own labeling policies for products sold within its borders. States wishing to do so could still craft labeling regulations notifying consumers about the conditions in which a product is produced.

Our nation's farmers cannot wait for both passage of the Farm Bill and my amendment. The inclusion of the Commerce Clause in the Constitution was a deliberate act to ensure that the American people would reap the benefits of a strong, national economy. As a lifelong Iowan, I understood from a young age that all new wealth comes from the land. Recent efforts by some states to erect trade barriers through means of production regulations must be addressed by Congress, and PICA will ensure its ability to do so. As a member of the House Agriculture Committee I will push for a vote on this Farm Bill on the floor of the House so that it spurs positive growth in our economy. It is important to me that producers have stability and predictability in today's markets. I will continue to make agricultural issues a top priority because issues like interstate commerce have a direct impact on all Americans.



CattleFax Update

On Wed., July 25, the broader markets were mostly uneven on the day. Live cattle futures traded \$0.60 to \$1.00/cwt. lower. Feeder cattle futures contracts traded limit lower (\$3/cwt.). The CME reported the Feeder Index at \$134.69/cwt., up \$0.05. The boxed beef cutout was a few cents lower. U.S. pasture and range conditions this week stand at their lowest level on record (data since 1995). Consequently, cow slaughter has started to increase - even above year ago levels based on daily reported data. Corn futures traded about \$0.09/bu. higher. Soybean futures traded about \$0.45 higher. Chicago and Kansas City wheat futures both traded more than \$0.23/bu. higher.

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

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

Don't miss a special edition of NCBA's *Cattlemen to Cattlemen* July 31 – August 4. In this episode, lead researchers will discuss the results of this year's National Beef Quality Assurance Audit.

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

National Beef Quality Audit Released: On July 26, the results from the 2011 National Beef Quality Audit (NBQA), funded by The Beef Checkoff, were announced at the Cattle Industry Summer Conference. For a copy of the executive summary, visit the Beef Quality Assurance website at www.BQA.org. The NBQA is a comprehensive survey that evaluates beef industry efforts to improve beef quality. Conducted every five years since 1991, the checkoff-funded Audit assesses progress the industry makes on a variety of production issues that ultimately affect consumer demand for beef.

NCBA PAC in Action: George Allen, who is running for Virginia's U.S. Senate seat, visited the NCBA Washington, D.C., office on July 23. Allen (right) is pictured meeting NCBA staff and representatives from other organizations which support Allen's campaign.



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.