

VOLUME1, ISSUE 47 DEC. 15, 2011

In this Issue

Study Concludes Beef
Can Improve Cholesterol
Levels by 10 Percent

NCBA Submits
Comments on Proposed
Animal Disease
Traceability Program

MF Global Hearings
Continue, NCBA
Encourages Producers to
Contact Trustee

Legislative Watch

New on the Web

How to "Vitalize" Federal Lands Grazing

Your NCBA

Cattle Fax Update

Cattlemen to Cattlemen

Your NCBA

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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.

Cattlemen's Capitol Concerns

Study Concludes Beef Can Improve Cholesterol Levels by 10 Percent

In a first of its kind study, researchers at The Pennsylvania State University demonstrated that eating beef everyday as part of a heart-healthy diet can improve cholesterol levels. Texas medical doctor and cattleman Richard Thorpe said the Beef in an Optimal Lean Diet (BOLD) study proves that lean beef not only tastes great but it also plays an important role in a heart-healthy diet.

"As a father, medical doctor and beef producer, I have proudly and confidently served my family beef and have recommended it to my patients for years," Thorpe said on behalf of the National Cattlemen's Beef Association (NCBA). "The BOLD study is further proof that Americans should feel good knowing the beef they enjoy eating and serving their loved ones is not only a nutrient-rich, satisfying food that provides 10 essential nutrients in about 150 calories but is good for their heart health as well."

The BOLD study, which was funded by the Beef Checkoff, will appear in

the American Journal of Clinical Nutrition in January. The study followed 36 men and women with moderately elevated cholesterol levels who consumed four diets for five weeks each to measure the impact of each diet on heart health risk factors. such as LDL (bad) cholesterol levels. The four diets evaluated were BOLD, which included an average of 4 ounces of beef per day; BOLD-PLUS, which included an average of 5.4 ounces of beef per day; the Dietary Approaches to Stop Hypertension (DASH) diet, which included an average of an ounce of beef per day; and the Healthy American Diet (HAD), which included an average of 0.7 ounces of beef per day.

Subjects following the BOLD and BOLD-PLUS diets experienced a 10 percent decrease in LDL cholesterol from the start of the study. Further, according to the study's outcomes, after five weeks, there were significant reductions in total cholesterol and LDL cholesterol in the BOLD, BOLD-PLUS

and DASH diets compared to the HAD.

"This research adds to the body of evidence concluding that there are heart-health benefits to including lean beef in your daily diet," said Shalene McNeill, PhD, RD, and executive director, human research for NCBA, which is a contractor for the Beef Checkoff. "The BOLD study provides strong evidence that including daily lean beef in the gold-standard DASH diet has heart health benefits."

McNeill said the BOLD and BOLD-PLUS diets are easy to follow as many recipes used in the BOLD study were from *The Healthy Beef Cookbook*.

"As families across the country prepare their holiday meals this month, lean beef is a perfect fit," McNeill said. "Americans should feel confident putting beef on their dinner table knowing that it is part of the solution to building a nutrient-rich, well-balanced and heart-healthy diet."

NCBA Submits Comments on Proposed Animal Disease Traceability Program

The National Cattlemen's Beef Association (NCBA) is supportive of animal identification for animal health purposes, according to NCBA Chief Veterinarian Elizabeth Parker. That is why she said NCBA was pleased that the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) walked away from the previously proposed National Animal Identification System (NAIS) and in August 2011 proposed a new Animal Disease Traceability (ADT) program. NCBA submitted comments on the proposal on Dec. 9, 2011.

"The goal of any identification program should be to enable the cattle industry, state and federal animal health officials to respond rapidly and effectively to animal health emergencies," Parker said. "While APHIS has made a great deal of progress with the new ADT proposal, the agency must continue working with NCBA and other partners to ensure all concerns are addressed and that the program is workable."

The proposed rule applies to sexually intact bison and cattle over 18 months, dairy cattle of any age, event

and rodeo cattle and bison of any age, and cattle and bison used for shows or exhibitions when they move interstate. Parker said NCBA has advocated for a species specific and phased-in approach with an objective. robust assessment for the over 18month Phase 1 of ADT before moving forward with the inclusion of any cattle under 18 months of age. She said the proposed rule does not provide a separate rulemaking and said NCBA encouraged the agency to provide the opportunity for additional public comment and rulemaking process prior to implementing Phase 2.

MF Global Hearings Continue, NCBA Encourages Producers to Contact Trustee

The MF Global saga continues today, Thurs, Dec. 15, 201, as former MF Global CEO Jon Corzine prepares to testify before Congress for the third time. Corzine, former U.S. senator and governor from New Jersey, was the head of the brokerage firm when more than \$1 billion in client funds disappeared, prompting an unexpected bankruptcy (Oct. 31, 2011) of the firm and an investigation by the Commodity Futures Trading Commission (CFTC).

Earlier this week, Corzine provided oral testimony in front of the Senate Agriculture Committee. This is subsequent to his testimony before the House Committee on Agriculture last week. No information was provided that helped the policymakers understand where the money is located and how it will return to investors. At both hearings, Corzine stated repeatedly that he was not involved in the misuse of customer funds. Corzine today will testify to a House Financial Services subcommittee. Media reports indicate that more information about the missing funds will be revealed. According to a *Reuters article*, Jill Sommers, who is heading the CFTC review of this situation, said regulators "are far enough along the trail" that they know where the money went.

In the meantime, cattlemen are becoming increasingly concerned.

National Cattlemen's Beef Association Vice President of Government

Affairs Colin Woodall said information is still being learned. He said the Securities Investor Protection Corporation (SIPC) is a non-government organization authorized by Congress under the Securities Investor Protection Act (SIPA) to step in when a brokerage fails to return customers' cash and other assets. The Supreme Court appointed a SIPA trustee to act on behalf of customers and creditors of MF Global to satisfy claims.

"It is important to note that while the SIPA trustee will work on behalf of both securities and futures customers, the SIPC fund will only be available to make whole the customers' who lost securities positions with MF Global," said Woodall. "The trustee will not be able to insure futures customers but will be the contact person as the investigation proceeds and funds are located to also cover futures investors."

On Nov. 2, 2011, the Court approved applications by clearinghouses to begin transferring customer accounts from MF Global to other clearing members. Woodall said the best step for producers to take at this time is to contact the SIPA trustee directly at 1-888-236-0808 or MFGITrustee@hugheshubbard.com.

Legislative Watch

S. 1528 - Farm Dust Regulation Prevention Act

To establish a temporary prohibition against revising any national ambient air quality standard applicable to coarse particulate matter (dust), to limit Federal regulation of nuisance dust in areas in which such dust is regulated under State, tribal, or local law. The House version, H.R. 1633, passed on Thurs., Dec. 8, 2011. NCBA urges a **YES** vote S. 1528. Key Sponsor: Sen. Mike Johanns (R-Neb.)

S. 1061 / H.R. 1996 – Government Litigation Savings Act

Will amend the Equal Access to Justice Act (EAJA) to prohibit organizations with a net worth exceeding \$7 million from filing for EAJA funds; require EAJA filers to show a "direct and personal monetary interest" in the action to be eligible for payments; and cap the attorney fees. NCBA urges a **YES** vote on S. 1061 / H.R. 1996.

Key Sponsors: Rep. Cynthia Lummis (R-Wyo.), Sen. John Barrasso (R-Wyo.)

H.R. 3097 - The Renewable Fuel Standard Flexibility Act

To partially waive the renewable fuel standard when corn inventories are low.

NCBA urges a YES vote on the Renewable Fuels Flexibility Act.

Key Sponsors: Reps. Bob Goodlatte (R-Va.) and Jim Costa (D-Calif.)

H.R. 2414 - Farmers' Freedom Act of 2011

Exempts certain farm vehicles from certain federal requirements (for a commercial driver's license, drug testing, medical certificates and hours of service). Prohibits federal transportation funding to a state from being terminated, limited, or otherwise interfered with as a result of the state's exempting a covered farm vehicle from any state requirements governing the operation of that vehicle.

Key Sponsor: Rep. James Lankford (R-Okla.). NCBA urges a **YES** vote on H.R. 2414.

For a full list of legislation NCBA is monitoring click here.

New on the Web

Check out the <u>Beltway Beef blog</u> for inside perspectives on issues affecting U.S. cattlemen and women. This week's features include updates farm dust, animal disease traceability, the 2012 Cattle Industry Convention and more. You can sign up on the blog to receive an email when new information is posted. You can also follow us on

<u>Twitter</u>, be a fan of us on <u>Facebook</u>, check out our latest photos on <u>Flickr</u> or watch video updates on our <u>YouTube</u> page. For audio, visit and subscribe to the Beltway Beef <u>Podcast</u>. You can also subscribe to our <u>podcast</u> on iTunes.

VOLUME1, ISSUE 47

How to "Vitalize" Federal Lands Grazing

By Joe Guild, NCBA Federal Lands Committee chairman; and John Falen, Public Lands Council president

The U.S. beef industry is diverse, with a presence in all 50 states. Despite that diversity, we all have common goals of raising healthy beef in an environment free of overly burdensome government interference and to pass down successful operations and healthy natural resources to future generations. These goals are threatened by the growing number of laws and regulations that govern what we do. Federal lands ranchers have unique

challenges. In the West, where the federal government owns roughly half the land mass, more than 22,000 ranchers have the challenge of running our operations, in part, on federal land.

Much cost and uncertainty accompanies our partnership with the federal land management agencies. They have high environmental standards and paperwork obligations to live up to—

more, in fact, than they are able to handle. Environmental activists groups never miss a chance litigate especially when grazing permits are concerned.

The same radical groups that file the endless stream of lawsuits against grazing on federal lands have hailed the recent introduction of H.R. 3234, the "Rural Economic Vitalization Act" (REVA). The bill claims it will "help" struggling federal lands ranchers by allowing third parties to buy out ranchers' permits and permanently retire those lands from grazing. Radical environmental groups have come out in full support, calling the bill a "free-market" solution. Why? Because these well-funded groups know that with just a little more threat and intimidation of litigation, they can make "willing sellers" out of every ranching family on the range, thereby achieving their agenda of a livestock-free environment — all cloaked in "free-market" terms.

True, federal lands ranching families are facing a tough uphill battle, dealing with drought, strict regulations, agency regulatory paperwork backlogs, endless environmental litigation, and other struggles. They do have the option of selling their grazing permits—for grazing, not for retirement. Current law requires that grazing permits stay in use until the federal government decides otherwise. REVA would put this decision in the hands of individuals and make it easy for environmental groups to permanently shut down grazing, West-wide. This is not a picture of rural economic vitalization. This is the definition of destruction.



Honest-to-goodness "rural vitalization" would come from ranchers' becoming more secure in their grazing permits as investments. Fortunately, some lawmakers have stepped up to promote the stability and longevity of the federal lands grazing program. Senator John Barrasso's (R-Wyo.) Grazing Improvement Act of 2011 (S. 1129) would decouple ranchers' long-term business plans from the boggeddown regulatory backlog that places their futures on hold. It would also make for a fairer fight in

the appeals process, providing commonsense safeguards to ranchers against arbitrary agency decisions. Altogether, S. 1129 would greatly reduce the environmental litigation currently flooding the system.

S. 1129 would allow ranchers to think long term about what kind of land and resources they want to pass down to the next generation. REVA's answer to alleviate ranching families' struggles is simply to remove them from the picture. While there are many pressures on federal lands ranchers to get out of the business, we must not succumb to the defeatist attitude that the only solution is to end grazing on the federal estate. Too many families and rural communities count on us to forge ahead to find answers that keep grazing as a viable part of the western landscape. Join with us to stand up for federal lands ranching and to work with lawmakers like Senator Barrasso to strengthen this industry for generations to come.

Your NCBA

EPA Extends Proposed CAFO Reporting Rule Comment Period: The Environmental Protection Agency (EPA) announced it would extend for 30 days the comment period for the <u>Clean Water Act Sec. 308 CAFO reporting rule</u> proposed in October. The National Cattlemen's Beef Association (NCBA) requested an extension to ensure enough time to fully analyze the proposed rule and prepare comments on behalf of NCBA members. The comment period closes Jan. 19, 2012. If you have questions on the proposed rule, contact NCBA Deputy Environmental Counsel Ashley Lyon at alvan@beef.org or 202-879-9102.

CattleFax Update

On Wed., Dec. 14, the markets were mostly lower on the day as European debt concerns pressured market prices. Equities fell about 1 percent and crude oil dropped more than \$5/bbl. Live cattle futures prices closed uneven. The December contract closed about \$0.25/cwt. higher, and June closed about \$0.50 lower. Feeder cattle futures were down around \$0.25/cwt. The CME reported the Feeder Index at \$144.85/cwt., down \$0.33. Boxed beef prices were mixed on moderate volume. Hide and offal values added \$0.06, improving to \$12.34/cwt. on a live basis. These values are the lowest since the beginning of the year. Margins continue to be poor for the packing sector. Grains traded lower with soybean and wheat prices each falling around \$0.20/bu.

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* Dec.20-24, as we revisit some favorite stories from Purina Mills. We'll examine how producers use Purina products to sustain animal nutrition, while also keeping their animals healthy and their operations profitable.

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 <u>watch NCBA's Cattlemen to Cattlemen online</u> anytime by visiting our website. Follow us on Twitter and become a fan on Facebook.



Your NCBA

Merry Christmas and Happy Holidays from NCBA: From all of us at NCBA, we'd like to wish you a very merry Christmas and happy holidays. We will not be publishing a Beltway Beef newsletter again until Thurs., Jan. 5, 2012. Thank you for all of your support of our nation's beef producers and may you find time to spend with family, friends and loved ones during this holiday season.

Get Your Ticket to Ride! The deadline for making your housing reservations for the 2012 Cattle Industry Convention and NCBA Trade Show is quickly approaching. Rooms must be reserved by Jan. 4, 2012. You don't want to miss out on this event. Be sure to sign up for the preconvention ag tour as well. This exciting tour will be a once in a lifetime experience. Attendees will be tour the RFD-TV studios, visit the Jack Daniels Distillery and visit with one cattle producer who feeds their by-product. Attendees will also visit the Tennessee Farmers Coop and the Stones River Battlefield National Park. Visit www.beefusa.org or call 303-694-0305 for more information.

NCBA-PAC in Action: U.S. Representative Jean Schmidt (R-Ohio) visited with National Cattlemen's Beef Association (NCBA) staff this week about transportation issues, the 2012 Farm Bill, regulatory reform, trade, the 2012 elections and more. To learn more about the NCBA-PAC, visit NCBA's website at www.beefusa.org.



Left: NCBA Manager of Legislative Affairs Kent Bacus with U.S. Rep. Jean Schmidt (R-Ohio).



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.