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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**

## **NCBA Speaks Out Against Proposed Grazing Fee Increase**

This week the U.S. Senate
Appropriations Committee in its draft
spending bill included a provision that
would increase current livestock
grazing fees on federal lands. The
provision would allow the Secretary of
the Interior to collect an "administrative
fee" on public lands managed by the
Bureau of Land Management (BLM) by
charging an additional \$1 per animal
unit month, effectively raising the
current fee by 74 percent.

"It is puzzling why the Senate would release a draft bill now when they had all year to provide their version of the Department of the Interior appropriations bill. We saw a similar provision fail as an amendment on the House floor with strong bipartisan opposition which tells us the majority in Congress support the current fee," said National Cattlemen's Beef Association

(NCBA) Director of Federal Lands Dustin Van Liew. "We strongly oppose this ill-conceived provision to increase the federal grazing fee and will work to see that this provision is left out of any final bill next year."

The federal grazing fee was put in place in 1978 by the Public Rangelands Improvement Act (PRIA) and has continued through a 1986 executive order requiring adherence to the PRIA formula. The formula is based on market criteria and reflects the cost of operating on public lands. The fee is calculated according to three factors including current private grazing land lease rates, beef cattle prices and the cost of livestock production. In effect, the fee rises, falls or stays the same based on market conditions, with livestock producers paying more when conditions are

better and less when conditions have declined. Van Liew, who is also the executive director of the <u>Public Lands Council</u>, noted that in addition to grazing fees, public lands ranchers also pay to purchase a grazing permit and face many costs associated with doing business on public lands.

"This provision attempts to confuse the issue by falsely claiming the federal fee should cover the cost of managing the grazing program, which is under never-ending attack by radical environmental groups abusing our country's legal system to drive an anti-livestock agenda," said Van Liew. "Increasing the cost of grazing livestock on federal lands will only reduce production and negatively impact rural economies across the west."

## **Nutrient Dense Foods an Important Part of School Lunches**

In light of the new U.S. Department of Agriculture (USDA) school lunch guidelines, which went into effect this school year, many parents are wondering if their kids, especially those who are active on the family farm and in after school athletics are getting enough to eat. The National Cattlemen's Beef Association's Associate Director of Food & Nutrition Outreach Shelley Johnson said that with the new guidelines in place, it's a good time for parents to have a conversation with their kids about the importance of choosing healthy, nutritious nutrient-dense foods, such as beef, as part of a healthy diet.

"By being part of this dialogue we can help the next generation better understand the importance of choosing healthy foods at home or at school," Johnson said.

According to the USDA guidelines, the amount of meat/meat alternate required as part of the new school lunch plans are almost identical to previous requirements, but there are now maximum limits. The new guidelines provide the basic nutritional needs for the average American student and outline specific calorie ranges and amounts of food for each age and grade group. However, Johnson said that not all kids are the same and don't have the same nutrition needs.

"Those kids who are more physically

active may be able to consume more while staying within calorie needs. Protein-rich foods like lean beef and low/non-fat dairy products can help kids feel satisfied," she said, adding that one 3 oz. serving of lean beef provides half the protein needed to meet dietary guidelines. "If kids are hungry after lunch, parents may want to pack a protein-rich snack or pack lunches if possible."

USDA has asked for feedback about the guidelines and has created a website with more information.

Johnson stressed the importance of parents letting USDA know if they have questions or concerns about the new standards.

## Senate Races Sizzle in Cattle Producing States

Everyone knows that the 2012 election cycle has been brutal, with key Senate races in battleground states coming down to the wire. The National Cattlemen's Beef Association's (NCBA) Vice President of Government Affairs Colin Woodall stressed the importance of cattlemen and cattlewomen getting to the polls this year in order to cast their vote for candidates who support a "healthy, vibrant cattle industry."

"This election will be a critical turning point in our country's political future, and we must ensure that more members of Congress are elected who truly understand and support the beef industry," said Woodall. "This is a crucial time for cattlemen and cattlewomen to make an impact and support those candidates who realize the importance of having a strong U.S. agricultural economy, and who will work to make it happen."

One closely watched race is the Wisconsin U.S. Senate race between former Wisconsin governor Tommy Thompson and his Democratic opponent Tammy Baldwin. The Wisconsin seat is one of several in the Midwest that the Republican party is counting on to help win control of the Senate. Wisconsin has been a consistently Democratic state, but in 2010 Republicans gained the governorship, a U.S. Senate seat and two Democratic House seats.

In Montana, Rep. Denny Rehberg is running for the Senate against Democratic Sen. Jon Tester. Both candidates have experience in Washington, and according to a poll last week by Mason-Dixon and published in the *Missoulian*, Rehberg is favored by 48 percent of those polled, with Tester coming in at 45 percent. The two candidates also come in as having unanimous partisan support, with 91 percent of Republicans supporting Rehberg and 92 percent of Democrats supporting Tester.

Nevada is also an important state during this election. Sen. Dean Heller is running for re-election against Rep. Shelley Berkley (D-Nev.). Nevada is a key state in the national race for control of the Democratic-led Senate, in which Republicans need to gain four seats to win control.

In Virginia, the state's former Republican governor George Allen is fighting for a Senate seat against another former Virginia governor, Democrat Tim Kaine. Polls show the race is currently tied.

"There are less than 60 days left until Election Day. Farmers and ranchers must realize that the decisions made in Washington, D.C., affect their operations," said Woodall. "Now more than ever, they must get out the vote in November."

## **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 Sponsor: 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 Sponsor: Frank Lucas (R-Okla.)

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. 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.

## Young Ranchers Bring Fresh Ideas to Five Nations Beef Alliance Meeting



By Travis Hoffman and Ben Neale, NCBA Young Producers Council Members

As members of the National Cattlemen's Beef Association's (NCBA) Young Producers Council (YPC), we recently traveled to Canada to represent NCBA during the Five Nations Beef Alliance (FNBA) meeting as part of

the Young Ranchers Program. We were nominated by YPC to share our knowledge and develop relationships with other young ranchers from Canada, Mexico, Australia and New Zealand. Also in attendance were NCBA President J.D. Alexander and NCBA President-Elect Scott George, along with NCBA staff.

The FNBA is represented by the Cattle Council of Australia, Canadian Cattlemen's Association, Confederación Nacional de Organizaciones Ganaderas, Beef + Lamb New Zealand and NCBA. Together, these organizations represent producers from countries that account for one-third of global beef production and approximately half of global beef exports. In addition to regularly scheduled meetings, FNBA holds a yearly "in person" meeting to discuss global issues facing the beef industry and to develop solutions that allow the five nations to continue competing for global beef demand. Established in 2010, the Young Ranchers Program is part of FNBA. This program attracts participation from young leaders selected from each of the five nations. These young leaders are passionate about the future direction of the beef industry.

The 2012 meeting of FNBA began in Vancouver, British Columbia, and concluded with meetings in Banff, Alberta. Throughout the week we were able to visit diversified Canadian beef operations and were quizzed on different aspects of beef production as part of a week-long competition. FNBA participants were able to network with each other and discuss similar and different viewpoints on beef production such as sustainability, trade, animal identification and food safety. Each of the five nations agreed to a series of action items including a support letter outlining beef industry interests in the Trans-Pacific Partnership.

The most important issues addressed during the meeting were sustainability, and trade and market access for cattle and beef in our global marketplace. FNBA fosters collaboration among trade partners with a shared vision and allows us to develop future strategies to advance science-based and market-driven global beef trade.

It was clear that this meeting viewed by all participants as a success and an important step forward for the global beef industry. From a business perspective the trade issues are integral to our demographic and national industry position in the future. Sustainability discussions covered the environmental, economic and social aspects of sustainability and how it will impact the industry in those areas over the next decades.

We thoroughly enjoyed our active participation in the FNBA meetings, and worked with the other young ranchers to develop their own action items. As young ranchers, the 15 delegates decided to define and outline our viewpoints of global beef sustainability relative to economic, societal and environmental considerations. We also agreed to use various social media venues to continue to promote our beef story to global consumers.

We returned from Canada energized and eager to build on this experience by becoming more involved in the beef industry. We look forward to working with NCBA and state affiliates to utilize the information and relationships gathered and built at FNBA to further improve the industry for those that are entering in the next few decades.

For those interested in FNBA's Young Ranchers Program, we urge you to get involved through NCBA's YPC. One of the established goals of YPC as an organization is to facilitate participation of the younger demographic in industry meetings such as the FNBA to hear their ideas and opinions. There is no better time to get involved in our industry organizations than now. The Young Rancher's Program provides young producers with the chance to be at the table at international policy discussions to gain a strong understanding of the business climate. America's young ranchers need to be included in the dialogue about decisions that will affect our future.

Also, NCBA's YPC is an important tool in fostering development of future beef industry leaders who will determine the course of our industry for future generations. For more information on how to get involved please visit NCBA's <u>website</u>.

## CattleFax Update

On Wed., Sept. 26, continued selling occurred across the agricultural commodities. Feeder cattle contracts managed to trade at higher values, but most livestock and grain contracts traded at considerably lower values. Live cattle futures traded around \$0.50/cwt. lower, while the actively traded feeder cattle contract closed \$0.25/cwt, higher. The CME reported the Feeder Index posted its thirdconsecutive day of higher values at \$143.50/cwt... up \$0.29. Boxed beef traded steady to nearly \$0.25/ cwt. lower. Grain markets closed at lower prices. Corn futures prices closed mostly \$0.19/bu. lower. Soybean futures prices dropped nearly \$0.40/bu. Chicago and Kansas City wheat futures each closed more than \$0.15/bu. lower in the nearby contracts.

For recent market news and analysis, visit <a href="https://www.CattleFax.com">www.CattleFax.com</a>.

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

Don't miss *NCBA's Cattlemen to Cattlemen* Oct. 2-6. See how one program is contributing to the success of FFA students in North Dakota and California. Plus, a look at how one Colorado operation is raising quality seedstock bulls while also educating consumers.

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 Accepting Applications for Public Policy Internship: NCBA's government affairs office in Washington, D.C., is accepting applications for a spring 2013 public policy internship. The deadline to submit an application for this opportunity is Oct. 19, 2012. The full-time internship will begin Jan. 14, 2013, and end May 10, 2013. To apply, interested college juniors, seniors or graduate students should submit the application, a college transcript, two letters of recommendation and a resume to <a href="mailto:internship@beef.org">internship@beef.org</a>. More information and the internship application are available on NCBA's website.

**Register to Vote!:** This year is a critical election year and we need our members and cattle producers to vote. NCBA needs your vote to count in November and we encourage you to register to vote today. The CapWiz system makes it simple and easy to register right now! Click <a href="here">here</a> to register to vote and help influence the future of the cattle industry.

NCBA-PAC in Action: Rep. Chris Gibson (R-N.Y.) stopped by the NCBA Washington, D.C. office for a staff breakfast. Gibson is pictured below with NCBA's Vice President of Government Affairs Colin Woodall.





## 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.