



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.



VOLUME 2, ISSUE 37

OCTOBER 11, 2012

Beltway Beef

Cattlemen's Capitol Concerns

NCBA Files Official Comments Urging EPA to Waive the Ethanol Mandate — Cattlemen ask for level playing field for a bushel of corn and relief from high feed prices

In an attempt to bring relief to rural America, which is suffering from the worst drought in more than 50 years, the [National Cattlemen's Beef Association](#) (NCBA) today filed official comments urging Environmental Protection Agency (EPA) Administrator Lisa Jackson to waive the Renewable Fuel Standard (RFS) mandate for the production of corn ethanol.

"NCBA's membership supports the American ethanol industry and we are committed to energy independence. However, this energy commitment has created challenges for America's cattlemen and women now more than ever due to the current drought plaguing 70 percent of cattle country," said NCBA President J.D. Alexander, a Nebraska cattleman and corn

grower. "The production of ethanol from our main feedstock – corn – is significant to the cattle industry because of its impact on its availability and on corn prices. Our membership strongly opposes mandates on production and is simply asking for a level playing field when competing for a bushel of corn."

In the comments, NCBA stated that the cattle industry, along with other livestock groups, has suffered a significant economic impact due to the RFS mandate and the drought. From December 2007 to August 2012, the cattle feeding sector of the beef industry lost a record \$4 billion in equity due to high feed costs and economic factors that have negatively affected beef demand. According to USDA reports, corn prices have

increased about 60 percent since June 15, 2012, and the near futures price is hovering around \$8 per bushel. In a report by USDA's Economic Research Service (ERS), 2011 feed costs for livestock, poultry and dairy reached a record high of \$54.6 billion – an increase of more than \$9 billion over 2010 costs. The cost increase, according to Alexander, is not able to be passed along to the consumer and is absorbed by cattle producers.

"This trend is not sustainable for the beef industry and our government policies need to be evaluated in a manner that considers economic impacts on all users of corn, not just the ethanol industry," he said. "If input costs continue to increase, we do not expect this trend to turn around in the next several years."

NCBA's Cattlemen to Cattlemen Live Show Addresses Drought Management

This year has been a tough one for farmers and ranchers across the country, especially due to the ongoing drought that has much cattle country suffering from abnormal to exceptionally dry conditions. [NCBA's Cattlemen to Cattlemen](#) took a closer look at drought management efforts that cattlemen and women can implement on their ranches during a live call-in show on which aired on Oct. 9 on RFD-TV.

Cattle producers are facing the worst drought conditions in more than 50 years, with the center of the drought located in the Midwest and southern Great Plains, where months of record breaking heat starting in March and

below average spring precipitation helped create the now record drought conditions. Much of the country's crop production has been hindered by the drought, and crop prices are reaching near all-time highs.

"Cattlemen must have the ability to make management decisions in a timely manner when faced with drought or other natural disasters," said [National Cattlemen's Beef Association](#) (NCBA) Executive Director of Producer Education John Paterson. "This special episode of [NCBA's Cattlemen to Cattlemen](#) allowed us to answer questions, listen to producer concerns and discuss drought management options that are

key in helping ranchers get their operations through these tough drought conditions."

Joining Paterson on the panel were Kevin Good with CattleFax; Jim Odle with Superior Livestock; and John Maddux, a Nebraska cattleman. [NCBA's Cattlemen to Cattlemen](#) provided viewers with a better understanding of how they can implement a drought management plan.

The program will be broadcast again on RFD-TV on Sat., Oct. 13, at 9 a.m. EST. In addition, all episodes of [NCBA's Cattlemen to Cattlemen](#) are available on the program's [website](#).

With Election Day Around the Corner, House Races Continue to be Close

The [National Cattlemen's Beef Association](#) (NCBA) continues to watch Congressional races across the country. NCBA Political Action Committee (NCBA-PAC) Director Anna Lee said now that the deadline has passed in most states for citizens to register and vote, the plan of action for cattlemen and women is to continue to support candidates, and vote on or before Election Day.

"This is a great time for farmers and ranchers to get themselves and their families involved in the political process," said Lee. "Volunteering for a campaign is a good way to get involved."

In North Carolina's 7th Congressional District, Democratic Rep. Mike McIntyre is running for re-election against Republican candidate David Rouzer. McIntyre, a longtime agriculture supporter, sits on the House Agriculture Committee. In this tight race, polls show McIntyre with a slight lead over Rouzer. The two traded barbs on a program on WRAL-TV that aired last weekend. Redistricting has expanded the 7th District northwest to the Raleigh suburbs of Johnston County.

Another House Agriculture Committee member, Rep. Jim Costa (D-Calif.) is running for re-election against Republican challenger Brian Whelan. Costa is seeking a fifth term in Congress, this time in a new 16th District that includes about half the city of Fresno and then runs

north. Costa, a long-time NCBA supporter, has been instrumental in leading the fight against the proposed Grain Inspection Packers and Stockyards Administration (GIPSA) rule.

Also in California, longtime Democratic Rep. Pete Stark is being challenged by new up-and-comer Brian Swalwell for a House seat. Swalwell, a prosecutor in Alameda County, emphasized in a primary debate the importance of reducing the national debt. He has canvassed for votes among Democrats but is also trying to gain the support of those in the district who are Republicans or do not have a party affiliation.

Rep. Jim Matheson (D-Utah) is in a tough House race against Republican opponent Mia Love. According to the *Deseret News*, Matheson, who sits on the House Energy and Commerce Committee, is favored 47 percent to 45 percent by Salt Lake County voters, who make up the majority of the 4th District.

In these key races NCBA is supporting the Democratic candidates, Lee said. "NCBA supports candidates who support agriculture and the cattle industry," said Lee. "A strong agricultural economy is important to all of these states. Cattlemen and women can do their part by voting on Nov. 6."

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 [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.

Wilson Will Take on Tough Issues in Washington



By Heather Wilson, U.S. Senate candidate, New Mexico

One of New Mexico's oldest industries is farming and ranching. It was the Indian Pueblos, Spanish settlers and 19th century homesteaders of the Southwest that created the idea of the American dream. Today, thousands of New Mexicans rely on farming and ranching for their livelihoods. But those jobs are now under siege by politicians like Congressman Heinrich who believe Washington knows what's best for rural America.

They're wrong.

There is nothing more important in America right now than creating jobs and growing the economy. If we want to protect New Mexico's agriculture industry, we're going to need Washington to work for us again. That means lowering taxes, placing a moratorium on job-killing regulations and giving farmers and ranchers more control over their land.

One of the biggest threats to New Mexico's agriculture industry is the estate tax, or the death tax. When the owner of family-owned ranch passes away, the inheritors are hit with a tax that is often so large that they are forced to sell off farm equipment, portions of their land, parts of the operation or even the entire ranch. Congress has tried to repeal this onerous tax with the Death Tax Repeal Permanency Act, but politicians like Congressman Heinrich continue to stand in the way. In fact, Congressman Heinrich not only wants to continue the death tax, he wants to tax estates worth more than \$1 million at a rate of 55 percent. Most ranches in New Mexico are worth more than \$1 million, and most are land rich and cash poor. Paying the tax often means selling all or part of the ranch. I support the permanent repeal of the death tax so the next generation of farmers and ranchers won't be saddled with debt they can't pay.

We can't stop there. We must also put an end to the burdensome regulations coming out of Washington if we want to save agricultural jobs. My opponent and I have very different views on this issue. I believe that we need to reduce burdensome government regulations. Congressman Heinrich, on the other hand, repeatedly supports more government red tape and having Washington control our lives.

He had the opportunity to join more than two-thirds of his House colleagues in supporting the Reducing Regulatory Burdens Act of 2011, a bill that would have pared down duplicative government regulations. Instead, he voted against it. In voting against this bill, he supported forcing states to divert funds from other important priorities to pay for enforcement, taking away money from mosquito control districts, increasing the risk of West Nile Virus; and forcing farmers and ranchers to face significant costs to comply with the redundant requirements. In fact, estimates are that the cost to farmers and ranchers could be as high as \$50,000 per year to meet the additional reporting, recordkeeping and other requirements that are already met under existing regulations. Farmers and ranchers are also be subject to an increased risk of litigation and exorbitant fines. Violations mean fines of up to \$37,500 per day per violation, not including attorney's fees. This type of costly, over-reaching Washington control must be reversed and replaced with some common sense and simple rules.

Finally, farmers and ranchers in New Mexico are heavily impacted by high energy costs. I believe we need a balanced long-term energy policy that makes America more energy independent and keeps the cost of energy down. My opponent voted for Cap and Trade, the biggest energy tax in American history that would drive up the cost of operating farms and ranches and drive up the cost of food we produce. He also voted against the Keystone pipeline and believes that "coal is a fuel of the past." I support an "all of the above" energy strategy that keeps the cost of energy down.

New Mexico's farms and ranches directly employ more than 8,200 people, according to a study conducted by New Mexico State University. An additional 9,650 jobs service the cattle and sheep industries. Of the New Mexico beef producers, almost 67 percent own less than 50 head of cows, mostly small and mid-sized family ranches. Right now, there is nothing more important than getting America working again. That means low taxes, fair regulations, helping families keep their farms and ranches and getting Americans working again. As public servants, it is our duty and responsibility to protect the people of the United States.

CattleFax Update

On Wed., Oct. 10, the markets traded mixed to lower today. Live cattle futures traded mixed to lower. Actively traded feeder cattle futures traded a few cents higher. The CME reported the Feeder Index at \$143.56, up \$0.12/cwt. Boxed beef traded a few cents lower. Grains traded mixed ahead of the Thursday release of the USDA WASDE/Crop Production report. Corn futures closed down about \$0.05/bu. Soybean futures closed about \$0.26/bu. lower. Chicago and Kansas City wheat futures added about \$0.06/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* Oct. 16-20. Learn about effective ways to manage bovine respiratory disease in cattle herds. Plus, see how one young cattleman in South Carolina is building a successful herd from the ground up.

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

2013 Cattle Industry Convention Registration is Open: Registration and housing are now open for the 2013 Cattle Industry Convention and NCBA Trade Show, Feb. 6-9 in Tampa, Fla.! The convention and trade show create a unique, fun environment for cattle industry members to come together to network, create policy for the industry and to have some fun! If you're in the cattle business, then you need to be in Tampa. Click [here](#) for more information.

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 internship@beef.org. More information and the internship application are available on NCBA's [website](#).

National Conference on Grazing Lands: The Grazing Lands Conservation Initiative (GLCI) is hosting its 5th National Conference on Grazing Lands on Dec. 9-12, 2012, in Orlando, Fla. The conference will provide a forum for discussion and exchange of information and technology, an opportunity to identify research and program needs and a chance to see new products and services. For more information, click [here](#).



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.