

In this Issue

Congress to Possibly
Vote on Permanent
Normal Trade Relations
With Russia

NCBA Urges Congress to Pass Permanent Estate Tax Relief

NCBA's Cattlemen to Cattlemen Live Show Addressed 'State of the Industry'

Legislative Watch

New on the Web

Florida Ranch Educates Students About Cattle As Well As Conservation

Cattle Fax Update

NBCA's 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

Congress to Possibly Vote on Permanent Normal Trade Relations With Russia

With Congress back in Washington, D.C. for the lame duck session, there are a few key votes which may happen over the next few weeks. One of these votes will be on whether to establish Permanent Normal Trade Relations (PNTR) status with Russia. Russia joined the World Trade Organization (WTO) in August of this year. On Tuesday, the House Rules Committee met to mark up the rule for the Russia and Moldova Jackson-Vanik Repeal Act of 2012 (H.R. 6156), which would repeal the law established during the Cold War.

According to National Cattlemen's

Beef Association (NCBA) Associate

Director of Legislative Affairs Kent

Bacus, a yea vote by Congress would grant the beef industry greater access to a strong market for U.S. beef.

"Russia has experienced a 24 percent increase in U.S. beef sales since 2011 and is currently the fifth largest export market for U.S. beef with nearly \$242 million in U.S. beef sold to Russia through September 2012," said Bacus. "Additionally, Russian demand for U.S. live cattle is through the roof. The demand for America's superior genetics and technology has created a tremendous opportunity for American cattle producers who are willing to expand into this growing market."

According to the U.S. Department of

Agriculture (USDA), approximately 48,000 head of U.S. live cattle were sold to Russia from January to September 2012.

Bacus added that though establishing these trade relations with Russia is a positive for the cattle industry, that hurdles still need to be overcome.

"While the promise of greater market access is enticing, there remain a few concerns with the non-tariff barriers," he said. "In order for U.S. beef producers to expand their operations to meet demand in Russia, it is important to know that U.S. beef will not be subject to market-disrupting non-science based standards."

NCBA Urges Congress to Pass Permanent Estate Tax Relief

The National Cattlemen's Beef
Association (NCBA) joined more than
30 groups representing the agriculture
industry in sending letters on Tuesday
to the United States House of
Representatives and the United
States Senate urging them to provide
farmers and ranchers with permanent
and meaningful relief from the estate
tax. Current estate tax relief is set to
expire at the end of 2012 with
exemption levels dropping to \$1
million per individual and the tax rate
increasing to 55 percent.

"If Congress allows current estate tax relief to expire it will have a devastating impact on the cattle industry. America's farmers and ranchers are small business owners who cannot afford to foot the bill for government inaction," said NCBA

President J.D. Alexander. "The fate of American agriculture and our economic recovery rests on there being certainty in the tax code and continued relief from the burdensome death tax."

Reducing the tax burden on cattlemen and women has always been a top priority for NCBA and the beef cattle community. For decades, NCBA has fought for full and permanent repeal of the estate tax. Alexander said that at a minimum, NCBA supports extending the exemption level to \$5 million per person and retaining the top rate of 35 percent until permanent repeal is achievable.

More than 96 percent of American farms and ranches are owned and operated by families, and eliminating

the death tax is an important step in stimulating the nation's economy. Ranching families are often land rich and cash poor, with the appraised value of rural land being extremely inflated when compared to its agricultural value. Many cattle producers are forced to spend an exorbitant amount of money on attorneys or sell off land or parts of their operations to pay off tax liabilities.

"NCBA stands with our partners in agriculture in urging Congress to act by the end of this year to renew the current estate tax relief until full repeal of the estate tax is possible," said Alexander. "We will continue to make this our top priority until rural America is relieved from the devastating effects of the estate tax."

NCBA's Cattlemen to Cattlemen Live Show Addressed 'State of the Industry'



Drought, fires, floods, regulatory overreach, skyrocketing input costs and record herd shortage are all issues cattlemen and women have unfortunately become very familiar with over the past couple of years.

NCBA's Cattlemen to Cattlemen took a closer look at the current state of the beef industry during a live call-in show on Nov. 13 with a live show which allowed viewers to call in or e-mail their questions. The show was broadcast on RFD-TV.

"Our industry has weathered through tough times. By being resilient, cattlemen and women stick it out and come out stronger on the other side," said NCBA) CEO Forrest Roberts. "This special episode of NCBA's Cattlemen to Cattlemen allowed us to answer questions, listen to producer concerns and discuss strategies that are crucial in helping ranchers have successful cattle operations, while continuing to produce the safest, highest quality beef in the world."

Joining Roberts on the panel were NCBA President J.D. Alexander, Vice President of Government Affairs Colin Woodall, CattleFax CEO Randy Blach and Executive Director of Producer Education Dr. John Paterson. Viewers were able to ask the panel questions by calling 1-888-824-6688 or by e-mailing their questions to C2C@beef.org. They were also encouraged to join NCBA by calling 1-888-824-6688 or by visiting NCBA's website, where they can also register for the 2013 Cattle Industry Convention in Tampa, Fla.

"We received many great questions during Tuesday's live show," said Colin Woodall. "Our panel answered questions about the 2012 election, economics, trade, cattle and feed prices, feed availability and general cattle production. No topic was off the table."

The program will be broadcast again on RFD-TV on Sat., Nov. 17, 2012, at 9 a.m. EST. In addition, all episodes of *NCBA's Cattlemen to Cattlemen* are available on the program's website. The program is also on Facebook and can be followed on Twitter.

NCBA's Cattlemen to Cattlemen is an award-winning program providing information on the U.S. beef cattle industry since February 2007. Sponsors of the program include Purina Mills; John Deere; Pfizer Animal Health; Merck Animal Health; and Dow AgroSciences.

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 <u>Twitter</u>, be a fan of us on <u>Facebook</u>, 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.

Florida Ranch Educates Students About Cattle As Well As Conservation



By Casey Wohl, Rafter T Ranch and Gray Dog Communications

If you are in the ranching business, then you are aware that to the general public, ranching and environmental conservation do not typically go hand in hand. However, those of us who have been in the cattle industry for most of our lives know that ranchers are the original stewards of the land, making sure the land they own and manage not only provides their cattle the ability to graze, but also employing many

conservation practices which provide great returns to the many wildlife species which cohabitate with cattle on a ranch. Environmental stewardship and conservation have long been the focus of America's farmers and ranchers.

I grew up on my family's cattle operation, Rafter T Ranch, in Sebring, Fla. As an environmental studies student at Rollins College in Winter Park, Fla., I was often the one to point out to my instructors and fellow students that not only do ranchers care about their businesses, but also the environment. In wanting to share my family's unique story of merging sound environmental practices with a successful cattle operation, my father, Jimmy Wohl, and I invited a group of environmental studies students from Rollins College to visit Rafter T Ranch. Our ranch was the winner of the 1994 Environmental Stewardship Award (ESAP), presented by the National Cattlemen's Beef Association (NCBA). 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. ESAP annually recognizes the outstanding stewardship practices and conservation achievements of U.S. cattle producers from across the nation, with the common trait among all winners being the desire to leave the land in better shape for future generations while also inspiring the next generation of land stewards.

The 16 students arrived to the ranch eager to see how a live cattle operation works. The group spent four hours at the ranch, first with a overview of the ranch, its history and the various programs that are being implemented. After the introduction, they

toured the land to see the environmental projects, particularly the Florida Ranchlands Environmental Stewardship Project (FRESP). Rafter T Ranch hosts a variety of projects related to water conservation and water storage as part of restoring the Everglades. Restoration of the Everglades helps preserve the state's ranching economy. Cattle ranches contain much of Florida's remaining natural habitat, and keeping cattlemen and women in business is critical to both the health of Florida's lands and waters and the strength of its economy. Not only did the group learn about water conservation and management, they also learned about practices commonly used in the Florida ranching industry, such as prescribed burning, wildlife management and rotational grazing.

By visiting our family's operation, these environmental studies students, who will no doubt go on to become leaders in the environmental field, had a tremendous opportunity to improve their understanding of what the circumstances are for private property owners who want to do the right thing but are constrained by their need to run a business. Ranchers work with many different government agencies, both at the state and federal levels, in a cooperative way that provides environmental benefits while also providing economic incentives for property owners, which in turn yields better results.

Another benefit gained by the students who visited our ranch is having better knowledge of where their food comes from. Farmers and ranchers work tirelessly each day to provide consumers with a quality product that makes its way onto their plates. Being able to see some of the projects provides a better understanding of the role and rich traditions ranching has in America.

Hosting the Rollins College group provided my family and I with a rewarding feeling knowing that that we are sharing our story about the ranching community in Florida. It would be a beneficial to the cattle industry everywhere to host tours like this so we can continue to tell our story; that we are a viable, sustainable agricultural industry producing a nutritious product for the United States and the world. Today, ranchers across the country are committed to helping protect our natural resources through numerous conservation efforts. If you are interested in learning more about Rafter T Ranch and the visit by students at Rollins College, please check out the video that was filmed during the event by clicking here.

CattleFax Update

On Wed., Nov. 14, commodity markets traded uneven, while equities traded lower. Live cattle futures closed a few cents lower and have been in a tight trading range for the past three weeks. Feeder cattle futures closed more than \$1/cwt. lower. The CME reported the Feeder Index at \$143.22, down \$0.35/cwt. Boxed beef values were down a few cents, but the Choice-Select spread remained relatively wide at \$18.92/cwt. Grains traded higher for the most part. Corn futures closed about \$0.02/bu. lower. Soybean futures closed up \$0.06 to \$0.11/bu. Chicago Wheat futures closed \$0.02/bu. lower, while Kansas City wheat futures traded about \$0.02/bu. lower.

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 Nov. 20-24. Learn about supplying cattle with the proper nutrition they need, even when they're not at the bunk. Plus, see how a Montana family is building a new life in ranching and already making a positive impact on the cattle industry.

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

Register Today for the 2013 Cattle Industry Convention: Did you know that your registration for the 2013 Cattle Industry Convention in Tampa, Fla., includes a ticket to the hottest show in town? The Cattlemen's Beach Bash! Wrap up convention with a night filled with great music from the legendary Beach Boys followed by an after party with the Bellamy Brothers. For more information or to register click here or call 303-694-0305.

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.

