



**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.

Cattlemen's Capitol Concerns

NCBA Members Pass Policy Resolutions

— Policy Resolution Passed to Advance Trade Opportunities for US Beef

International trade, cattle payment efficiency and herd health were among the policy issues National Cattlemen's Beef Association (NCBA) members honed in on during the 2012 Cattle Industry Convention in Nashville, Tenn. 2011 NCBA President Bill Donald said the grassroots policy process was put into action as policy resolutions, which originated in local and state cattlemen organizations, advanced through committees and were passed by NCBA members.

"NCBA's policy is not developed in a board room in Washington, D.C. It's developed, debated and deliberated on by cattlemen and women. This process is and always has been the strength and backbone of the organization," Donald said. "From the health of the herd, economic profitability, international trade and more, NCBA members worked this week to ensure a successful and sustainable U.S. beef industry."

Donald said NCBA members keyed in on international trade, specifically the Trans-Pacific Partnership (TPP), during the convention. He said a resolution was passed that codified NCBA support of a TPP that removes tariff and non-tariff trade barriers for U.S. beef to participating countries, which include Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam. Donald said NCBA insists all participating countries, as well as any countries that join the TPP in the future, must fully abide by guidelines set by the World Organization for Animal Health (OIE).

NCBA Vice President of Government Affairs Colin Woodall said a resolution was passed to encourage a more efficient payment system for fed cattle. Woodall said at a time when it takes more capital to feed cattle and when cattle feeders want to buy replacement cattle in a timely manner, a recent announcement from the U.S.

Postal Service that first class mail delivery will slow in the future will cause problems for the efficient delivery of payment for cattle. He said NCBA will work with the packing sector of the industry to development a more efficient and expeditious payment system for fed cattle.

Donald, who is a Montana rancher, said the current management of bison on federal lands by the Department of Interior has cattlemen concerned about the health of the cattle herd. While co-mingling of bison and other native wildlife with cattle is unpreventable, Donald said the relocation of the Greater Yellowstone Area (GYA) or other federally-owned bison is a liability cattlemen aren't willing to bear. NCBA members passed a resolution opposing the relocation of any bison outside the current GYA management area, the expansion of that area and any increase in the currently authorized GYA bison population.

USDA Delays Implementation Date to Begin Testing for Non-O157 STECs

The U.S. Department of Agriculture's (USDA) Food Safety Inspection Service (FSIS) [announced](#) a 90-day delay of the implementation date to begin testing for six additional strains of non-O157 shiga toxin-producing E. coli (non-O157 STECs). In September 2011, FSIS declared these strains of non-O157 STECs as adulterants and announced it will require the industry to begin testing beef trim for them. The delay will move the effective date to June 4, 2012.

National Cattlemen's Beef Association (NCBA) Executive Director of

Legislative Affairs Kristina Butts said cattlemen appreciate the delay to ensure all testing methods are validated and working properly.

"Cattlemen are committed to producing a safe, wholesome beef product for consumers as evidenced by the more than \$550 million the industry invests annually in beef safety research and technology implementation. Part of that commitment includes preventing foodborne illness and eliminating pathogens that may affect public health," Butts said. "As the USDA's

FSIS moves forward with its plan to test for six additional strains of non-O157 STECs, it is critical to ensure all testing methods are validated and are properly working. Everyone plays a role in the safety of food and we appreciate FSIS' recognition of the importance of working with industry so we get this right. It is because of our commitment to producing safe beef products that we encourage FSIS to work with the industry as we share the common goal of producing safe food."

NCBA Names New Leadership

Nebraska cattleman J.D. Alexander was named 2012 president of the National Cattlemen's Beef Association (NCBA) during the organization's annual meeting in Nashville. Alexander officially took the reins of NCBA from Bill Donald, a rancher from Melville, Mont.

The 2012 Cattle Industry Convention and NCBA Trade Show attracted a record 8,216 attendees. The attendance eclipsed the old record of just less than 7,000, set at NCBA's 1998 centennial celebration.

Elected NCBA president-elect was Scott George, a second generation Wyoming farmer. Also elected to NCBA posts at the meeting were Bob McCan, Texas, to vice president; Craig Uden, Nebraska, federation division chair; Richard Gebhart, Oklahoma, federation division vice chair; Don Pemberton, Missouri, policy division chair; and Philip Ellis, Wyoming, policy division vice chair.

Alexander said the turnout was representative of the enthusiasm in the industry.

"If you want a voice, want to make a difference and want to ensure that your family operation stays in the family, you must step up to the plate, get off the sidelines and become actively involved in your industry," he said. "Together – with our state and national partnership – we will be at the table and off the menu."

Alexander has served as chairman of the federation division and on numerous NCBA committees. George was previously NCBA vice president and has also served on the Beef Promotion Operating Committee and as chair and vice chair of the federation division.

The next generation of cattlemen and women took an active role in the convention, with more than 1,000 young people registered to attend. Marketing, public speaking, quiz bowl and livestock judging contests were held for youth of all ages.

In addition, more than 250 companies and organizations exhibited at the NCBA Trade Show – another record. While convention attendees spent a great deal of time in meetings and at educational seminars, there were multiple entertainment events for them to attend. A Cowboy's Night at the Grand Ole Opry, with performances by the Oak Ridge Boys, Josh Turner, Charley Pride and others was a highlight of the convention.

Alexander called the 2012 Convention and NCBA Trade Show "a convention of a lifetime." He said it exceeded expectations.

"There was a lot of optimism and positive energy at this convention," Alexander said. "We saw a lot of ranchers and farmers – both young and old – looking to the future and the possibilities it holds. We've got a lot of momentum in this industry and in NCBA."

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. 3798 – Egg Inspection Act Amendments of 2012

To amend the Egg Inspection Act to mandate on farm production practices.

NCBA urges a **NO** vote on H.R. 3798

Key Sponsor: Rep. Kurt Schrader (D-Ore.)

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 [Beltway Beef blog](#) for inside perspectives on issues affecting U.S. cattlemen and women. You will find updates from the 2012 Cattle Industry Convention and as well as information about how American farmers and ranchers are working to improve agriculture productivity in Afghanistan. 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.

On the Menu

By NCBA President J.D. Alexander



If you're not at the table, you risk being on the menu.

It's a phrase you will hear a lot over the course of my term as National Cattlemen's Beef Association (NCBA) president this year. As cattle producers, we have never faced more exciting opportunities or more risk than we do right now. We have come a long way as an industry, and as an organization, over the past year. The spirit of optimism and energy we saw in Nashville, Tenn., as more than 8,200 cattlemen and women gathered to shape the future of this industry was a testament to how far we have come and it gave me a sense of encouragement about our shared opportunities during the year ahead.

As an industry there are significant challenges ahead of us, and it is important for each and every one of you to be involved at the local, state and national levels as we work to protect this business and ensure our opportunity to pass growing and stable operations onto the next generation of beef producers. At NCBA, we will be working hard to eliminate the estate tax this year. If Congress fails to act, estate tax levels will revert to \$1 million exemption threshold with assets exceeding that level being taxed at a 55 percent rate. Let's face it, in today's environment; it doesn't take a lot of land, cattle or equipment to quickly exceed the value exemptions. With the help of cattlemen and women and NCBA's state affiliates, we are going to push for the total elimination of this harmful and outdated tax. There are many operations which are second-, third-, fourth- and in some cases even fifth-generation businesses. What we have received as a result of our forefathers we ought to be allowed to pass onto the next generation without being penalized. We must be able to do that if we are going to protect our rural communities and help the next generation return to the ranch and thrive.

We are going to need the next generation to return if we are going to meet the challenge of a growing global population. We are already faced with a shrinking supply of cattle, which has been further diminished by drought and other factors. While we cannot force herd growth, we need to create an environment where producers are willing and able to expand when the market

signals dictate, rather than trying to unduly influence growth that becomes unsustainable in the future.

We expect our cowboys at home to be able to spot a sick steer before it is sick. At NCBA, we rely on our team in Washington, D.C., to be able to do the same thing. We need them to be able to identify potentially damaging rules, regulations and legislation and push back on those items that would be harmful to our sustainability. Although it isn't always easy to see what's ahead, I can tell you that we will be working to craft a farm bill which levels the playing field for all of us, one which doesn't pit us, as producers, against each other. We will continue to seek fair standards for each of us along the production chain and we will be working hard to fully implement the free trade agreements NCBA worked so long and hard to get signed last year. At the same time, our team will be working to make certain that all of our trading partners are in full compliance with international recognized, science-based standards set by the World Organization for Animal Health. We've got safe beef – Period. We want standards that are based on science, not guesswork or hunches so we can compete in the world market.

None of us gets to pick or choose the battles we are going to face in the year ahead. But, I can assure you that our team at NCBA, with the constant help from state affiliates, is prepared to face those battles on your behalf. We won't sit on the fence or back away because something looks too tough. We have a set of policies, based on the marching orders provided by our grassroots and we will follow that policy, but we are going to need help from all of you. We need good voices for our industry. We need good leaders and we need each of you to be involved. At NCBA, our leadership and staff is out there working on your behalf every day because you can't be. But, what we would ask of you is to provide your support, recruit new members and give us the strength we need to represent each of you. Because, if you're not at the table, we might all be on the menu. Now, let's get to work.

CattleFax Update

On Wed., Feb. 8, markets for the most part traded higher. Live cattle futures closed higher on the front month contracts. June and back traded lower. Most contact trade near or at new contract highs. Feeder cattle futures closed mostly a few cents higher. The CME Feeder Index reported today stands at \$153.68, up \$0.07 (just below the all-time high). Boxed beef was nearly \$1 higher. Packer margins remain red, and Fed slaughter is estimated stay relatively low. Cow and bull slaughter remains elevated. Boxed beef should rise seasonally in the coming weeks. Grains traded mixed to lower ahead of Thursday's crop report. Energy futures continued to advance and most contracts are at or near 6 month highs.

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

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

Next week on NCBA's *Cattlemen to Cattlemen*, the 2012 winners of the Environmental Stewardship Award Program will talk about the unique practices on their operation. Plus, viewers will see demonstrations of new products that debuted at the 2012 Cattle Industry Convention in Nashville, Tenn., and hear about some of the educational events at the convention, including Cattlemen's College.

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

Make Plans to Attend 2012 Legislative Conference: Mark your calendars and make plans to attend the 2012 NCBA Legislative Conference April 17-19, 2012, in Washington, D.C. Attending the NCBA Legislative Conference will provide the opportunity to meet with key congressional and agency influencers and articulate policy priorities of our industry for the future. The conference will be held at the Dupont Circle Hotel and reservations can be made by calling 202-483-6000. Please reference "NCBA 2012" to receive the group rate. Registration will open soon for the conference.

2012 Cattle Industry Convention and NCBA Trade Show Breaks Attendance Record: The 2012 Cattle Industry Convention and NCBA Trade Show set a new attendance record with more than 8,200 cattlemen and women in attendance. Visit www.beltwaybeef.com for coverage of the convention or [click here](#) for pictures from the event. The 2012 Cattle Industry Summer Conference will be July 25-28 in Denver. The 2013 convention will be held Feb. 6-9 in Tampa, Fla.



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.