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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, PLC Recommend Commonsense Changes to Endangered Species Act

The National Cattlemen's Beef Association (NCBA) and the Public Lands Council (PLC) joined forces with attorney Karen Budd Falen to submit recommendations for Endangered Species Act (ESA) reform to the U.S. House Committee on Natural Resources. Budd Falen, a rancher from Wyoming, testified before the committee in December 2011 about how ESA has become a means for environmental extremists to bring lawsuits against the government and individuals to prevent activities such as livestock grazing on federal and private lands. Subsequent to the hearing, the committee requested ESA reform recommendations to consider as it works to improve and update the act.

J.D. Alexander, NCBA president, said he finds it encouraging that the committee is interested in considering ESA reform because the act has not been reviewed or updated by Congress for nearly 25 years.

"ESA, as it stands now, is failing as evidenced by the fact that less than two percent of listed species have been declared recovered since ESA was enacted in 1973," Alexander said. "Severe restrictions the act imposes affect both public and private lands. Livestock producers have had to bear the brunt of countless lawsuits brought by environmental extremists whose intent is to end animal agriculture."

PLC Vice President and Colorado rancher Brice Lee Jr., said ESA reforms should focus on returning the law to its true intent rather than allowing it to be abused by radical environmentalists.

"Not only are livestock producers using their own hard-earned money to fight lawsuits and comply with regulations, but, as Karen Budd Falen's research has revealed, taxpayers are spending millions to settle lawsuits brought by radical environmental groups on process-based grounds," Lee said. "The agencies should focus on the true intent of ESA – species protection and recovery – rather than turning out brief after brief in federal court. The recommendations we submitted will help achieve those goals."

Specifically, the groups said reforms to

ESA must include more rigorous data quality requirements, a better mechanism to delist species and increased transparency while also putting a greater focus on working with landowners and operators to incentivize species recovery and protection plans. Alexander said livestock producers should have a seat at the table when decisions are being made about the land they own or manage. He also said there needs to be greater transparency regarding the agencies' plans to list species as well as the recovery plans and all economic impacts, including those from ESA litigation.

"We look forward to working with the committee to pursue meaningful and feasible ESA reforms that focus on working with landowners and operators on species protection," Alexander said. "We commend Chairman Doc Hastings (R-Wash.) for his recognition of the severe and costly challenges livestock producers face because of ESA. We stand ready to work with the committee to reform the act and are hopeful the committee will incorporate these recommendations."

US House Passes Legislation to End "Man-Made Drought" in California

The U.S. House of Representatives passed the Sacramento-San Joaquin Valley Water Reliability Act (H.R. 1837) in a bipartisan vote of 246 to 175. The legislation will end a "manmade drought," which is the result of water intended for California farm and ranch land irrigation being cut off and diverted to the San Francisco Bay in the name of protecting a three-inch minnow, the Delta smelt.

"For far too long, radical environmental groups have abused environmental laws and trampled on the private water rights of cattlemen. In this instance, they did it in the name of protecting a three-inch fish. This is absurd. While the water diversions for the fish have produced negligible benefit, some of the most productive agricultural land has been left fallow and thousands of Californians have been put in unemployment lines," said

Joe Guild, chairman of the National Cattlemen's Beef Association (NCBA) federal lands committee and a Public Lands Council (PLC) board member.

Dustin Van Liew, NCBA director of federal lands and PLC executive director, said this is further proof that it is time to take a look at reforming the Endangered Species Act (ESA), which has not been updated or improved in nearly 25 years.

NCBA Supports House Decision to Protect Private Property Rights

The U.S. House of Representatives sided with private property owners by passing The Private Property Right Protection Act of 2012 (H.R. 1443). The bipartisan bill, sponsored by Congressman Jim Sensenbrenner (R-Wis.), essentially prevents states from using eminent domain over property to be used for economic development. The bill would also strip federal funds to states that violate the law.

National Cattlemen's Beef Association President J.D. Alexander said the legislation provides much-needed protection to farmers and ranchers vying to retain land for food production.

"Let me be clear. We aren't against economic development. We are against the government forcing farmers and ranchers to give up private property that is being used to provide food for a growing global population. Land isn't being taken for public use, like road construction. Land is being taken under eminent domain and then handed over to private developers to turn food producing farms and ranches into strip malls," said Alexander. "Development is fine and necessary to sustaining rural communities but we must not forget that we need agriculture to sustain life on this planet."

After a brief debate on the House floor, members passed the legislation by voice vote. H.R. 1443 overturns a 2005 Supreme Court decision (*Kelo v. City of New London*) allowing state government to take private property under the doctrine of eminent domain and hand it over to a private developer.

EPA Greenhouse Gas Regulations Challenged in Court

Oral arguments for the petition filed by the National Cattlemen's Beef Association (NCBA) and other members of the Coalition for Responsible Regulation were heard by the U.S. Court of Appeals for the District of Columbia Circuit Feb. 28 and Feb. 29. The litigation challenges the Environmental Protection Agency's (EPA) finding that greenhouse gases (GHG) endanger public health and welfare, its rule to limit GHG from passenger vehicles and its "timing" and "tailoring" rules that govern GHG permit applicability at stationary sources.

"The fact EPA decided to impose a backdoor energy tax by regulating greenhouse gases under the Clean Air Act is unacceptable and scientifically unfounded. We are hopeful the U.S. Court of Appeals will put a stop to the aggressive agenda-driven regulations that never should have been promulgated in the first place," NCBA President J.D. Alexander said. "Congress debated and rejected a cap and trade program for greenhouse gases. EPA's regulations are an attempt to force greenhouse gas regulations down the throats of the American people without congressional approval. We challenged EPA in court to take power away from the agency's unelected bureaucrats and put it back into the hands of the American people."

According to multiple news reports, a court decision on the EPA rules is expected in the coming months.

Legislative Watch

H.R. 3856 - State Waters Partnership Act

To limit the authority of the Administrator of the Environmental Protection Agency with respect to certain numeric nutrient criteria. NCBA urges a **YES** vote the State Waters Partnership Act.

Key Sponsor: Sen. Marco Rubio (R-Fla.), Rep. Steve Southerland (R-Fla.)

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.

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

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

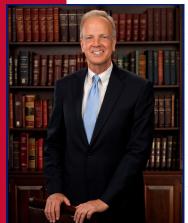
New on the Web

Check out the <u>Beltway Beef blog</u> for inside perspectives on issues affecting U.S. cattlemen and women. You will find updates on overregulation, the Department of Labor proposed rules related to onfarm child labor, the HSUS on-farm mandate 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.

Protecting the Future of Agriculture

By U.S. Senator Jerry Moran (R-Kan.)



In communities across our nation, no tradition runs deeper from generation to generation than that of working on a family farm. By working alongside their parents, grandparents and neighbors, young people learn important life skills and values – the values of hard work, personal responsibility and perseverance. They learn how to problem solve and work on a team to get things done. Agriculture is a way of life; but now the federal government wants to fundamentally change that way of life.

In September 2011, the U.S. Department of Labor (DOL) proposed a new child labor

rule that would ban youth under the age of 16 from participating in many common farm-related tasks. The government is now trying to tell farmers and ranchers: "We know what's best for your children, and what they should and should not be doing."

Recently, we received some good news when DOL announced it would withdraw and "re-propose" the parental exemption portion of the rule. If the rule had been implemented as it was written, parents would no longer have discretion over the responsibilities they gave their children on farms or ranches jointly owned and operated by multiple family members.

While this announcement was a bit of good news, the Department's action is not close to being enough. The entire rule must be withdrawn. If the remaining portion is implemented, the education and training of the next generation of farmers and ranchers will be severely disrupted. The DOL is still proposing to do away with successful farm safety programs like cooperative extension, 4-H, and FFA, which play a critical role in training and certifying young people to safely carry out farm and ranch activities. The Department has ignored research that shows such programs improve safety habits of young people and instead criticizes them for being too locally driven and lacking federal direction. Their solution is to nationalize these programs and have them run by the DOL in Washington, D.C.

Local experts should be the ones conducting safety training programs to educate our nation's young people. And parents and communities should be allowed to look after the best interests of their families and citizens.

The remaining portion of the rule would also prohibit youth from participating in common farm activities such as operating a tractor, cleaning out stalls with a shovel and wheelbarrow, and rounding up cattle on horseback. To most young people growing up on a farm or ranch, these jobs are just part of their daily routine.

One example that truly demonstrates the DOL's limited understanding of what it takes to provide our nation's food supply is this: they propose limiting youth from exposure to direct sunlight if the temperature reaches a certain limit once you factor in wind velocity and humidity. How is a farmer supposed to comply with that? Hire a meteorologist?

One would think that before making such drastic changes to farm labor rules, the Department would identify reliable evidence and data that shows a need for these changes. But DOL admits it lacks the data to justify them. Furthermore, according to the National Farm Medicine Center, youth-related injuries from farm accidents have declined by nearly 60 percent from 1998 to 2009.

Ask any farmer or rancher about the importance of safety, and they would tell you that safety is a top concern. But they would also tell you that critical to the rural way of life is being able to train and encourage the next generation to safely and successfully begin a career in agriculture.

If the DOL's proposal goes into effect, not only will the shrinking rural workforce be further reduced, and our nation's youth be deprived of valuable career training opportunities, but most importantly – a way of life will begin to disappear. The future of agriculture depends on stopping this vast overreach of executive authority and protecting individual rights. I have shared my concerns and the concerns of many farmers and ranchers with Secretary of Labor Hilda Solis now on two separate occasions.

However, we need to continue to make our voices heard and try to prevent this rule from going into effect. Please visit www.KeepFamiliesFarming.com to share your thoughts about why the family farm is important.

We know that rural America's values are not always Washington's values. Together, we can make certain this destructive rule does not move forward, and can protect and preserve our values for the next generation of American farmers and ranchers.

To sign up for Sen. Moran's weekly newsletter, please visit his website at http://moran.senate.gov.

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CattleFax Update

On Wed., Feb. 29, markets traded in mostly higher territory. Live cattle futures gained \$1.50/cwt., and trade continued to be active. Feeder cattle futures added more than \$1.70/cwt. The CME reported the Feeder Index at \$157.12/cwt., down \$0.07. Boxed beef prices keep moving higher. Prices advanced a few cents, and spot market volumes have been above 200 loads for two-consecutive days. Hide and offal values moved a penny higher and continue to find support from higher energy prices. Grains traded higher as well. Old crop corn futures gained about \$0.03/bu., while new crop corn futures gained about \$0.05. Soybeans rallied about \$0.08/bu. and stand at six-month highs. Chicago wheat futures closed \$0.02 higher.

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

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

This week on *NCBA's Cattlemen to Cattlemen*, viewers will learn a little about the Beef in an Optimal Lean Diet study and the hearthealth benefits of incorporating lean beef into your diet. Plus, the experts at Merck Animal Health give tips on preventing parasitic infections in your herd.

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 <u>Twitter</u> and become a fan on <u>Facebook</u>.



Your NCBA

Register Today 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. For more information on the conference and to register, click here.

NCBA PAC in Action: NCBA hosted events for U.S. Representatives Mike Conaway (R-Texas) and Steve Southerland (R-Fla.) this week. While the 2012 elections were a major topic of discussion, other issues, including the farm bill, environmental regulation and more were discussed. To learn more about the NCBA PAC, click here.

NCBA, PLC Urge OMB to Send Clean Water Act Guidance Back to Agencies: NCBA and the Public Lands Council (PLC) sent a joint letter to Cass Sunstein, administrator of the Office of Information and Regulatory Affairs within the Office of Management and Budget, urging him to send the Environmental Protection Agency's (EPA) and Army Corps of Engineers' Clean Water Act guidance document back to the agencies. NCBA and PLC raised significant concerns with the guidance in the letter. To read the letter, click here.

Former NCBA Staff Member Receives Purdue University College of Agriculture's Distinguished Agriculture Alumnus Award: Gary Weber, former NCBA executive director of regulatory affairs, was recognized was recognized recent as the Distinguished Agriculture Alumnus by Purdue University's College of Agriculture. Weber, who currently serves as president of Bioniche Food Safety-USA, played a critical role at NCBA during the 1996 Bovine Spongiform Encephalopathy (BSE) outbreak in Europe and subsequent animal health and safety issues.



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.