



**National Cattlemen's
Beef Association**



Beltway Beef

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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

Cattlemen Back Legislation to Stop DOL Farm Labor Rules

Farmers and ranchers nationwide have voiced concern with the Department of Labor's (DOL) proposed regulations related to on-farm child labor. Kristina Butts, National Cattlemen's Beef Association (NCBA) executive director of legislative affairs, said lawmakers on Capitol Hill have listened to the concerns of farmers and ranchers and are working to stop the proposed rules from being finalized. Specifically, she said Congressman Tom Latham (R-Iowa) introduced the Preserving America's Family Farms Act (H.R. 4157) to prohibit DOL from finalizing the rule and urged all lawmakers to support the legislation.

"Cattle farmers and ranchers support efforts to protect the safety of children in the workplace. However, we have serious concerns that DOL's proposed regulations related to on-farm child labor will fundamentally change farming and ranching and the lifestyle that comes with working on a farm or ranch," Butts said. "The lessons I learned raising and caring for cattle on

my grandparent's farm were invaluable. Unfortunately, if DOL finalizes this proposed regulation, young people without direct family connections to agriculture may not be allowed the opportunity to learn from today's farmers and ranchers about how to raise food to feed a growing global population."

Butts said NCBA raised significant concern with the provision in the proposed regulation that would prohibit youth from working on agricultural operations that are not owned and operated by their parents. While DOL has agreed to revisit these provisions, there has been no certainty given to farm and ranch families that these rules will not become final. Furthermore, DOL does not plan to revisit the impact the proposed rules would have on 4-H and the National FFA Organization. Butts said the legislation introduced by Rep. Latham will provide certainty to the next generation of farmers and ranchers.

"As a result of overregulation, land values, erroneous taxes and a whole host of issues, fewer young people are aspiring to go into production agriculture," said Butts. "The population is expected to grow to about 10 billion people by 2050 and we must be equipped to provide wholesome food for these people. The only way that will be possible is to embrace and inspire the next generation of farmers and ranchers to enter into this admirable profession or take over the existing family farm or ranch. Scaring them away from the farm with regulation and red tape is not something we will tolerate."

The legislation, according to Butts, has garnered bipartisan support. She said NCBA will be actively engaged on ensuring passage of this bill.

Make Your Voice Heard

From the estate tax to the 2012 Farm Bill and the Department of Labor's proposed on-farm child labor regulations, lawmakers in Washington, D.C., need to hear from cattlemen and women about how legislation and regulations impact cattle operations nationwide. Attending the 2012 NCBA Legislative Conference and the 2012 Public Lands Council Legislative Conference April 16-19 in Washington, D.C., will give cattlemen and women the opportunity to meet with key congressional and agency influencers and articulate policy priorities of our industry for the future. [Click here](#) for more information about the conference.

Registration for the conference can be completed [online](#) or by [downloading](#) a registration form and mailing it to NCBA.

The conferences will be held at the [Dupont Circle Hotel in Washington, D.C.](#) For room reservations, please call (202) 483-6000 or (866) 534-6835 Mon.-Fri. 9:00 a.m. - 5:00 p.m. EDT. *Please reference "NCBA 2012" for a group rate.*

If you have questions or need assistance registering for the conference, contact Valerie Proni at vproni@beef.org or 303-850-3326.

Veterinarians Coming to Washington to Educate Lawmakers About Cattle Care

The [Academy of Veterinary Consultants](#) will hold its spring conference in Washington, D.C., April 12-14, 2012. The Academy of Veterinary Consultants (AVC) is an organization of veterinarians established in 1972 whose primary practice focus is on beef production. With more than 800 members in the United States, Canada, Australia and Mexico, the AVC influences herd health, well-being and production of more than 80 percent of the beef cattle in the United States. It is recognized as one of the most science-based veterinary medical organizations.

One of the goals AVC has in meeting in Washington, D.C., is to meet face-to-face with our elected and agency officials so they will feel more comfortable in using AVC members as resources in legislation and regulations that may pertain to how beef is produced. The AVC will hold a reception for these officials on Thurs.,



April 12 in 1300 Longworth House Office Building, to provide the opportunity for relationship development. These officials are also invited to attend the AVC's scientific meetings on Friday, April 13, where topics such as animal welfare, antimicrobial resistance and food safety will be discussed.

AVC would like to encourage NCBA members to contact their elected officials and encourage them and/or their aides to attend the reception on April 12, from 5:30 p.m. – 7:30 p.m., for a unique opportunity to meet many of the veterinarians who are working every day to assure our beef is well-cared for, safe and wholesome. Contact information for your senators is available [here](#) and you can find contact information for your representatives [here](#).

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 / H.R. 4234 – 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 / H.R. 4234. Key Sponsors: Sen. John Barrasso (R-Wyo.), Rep. Raul Labrador (R-Idaho)

S. 2245 – Preserve the Waters of the United States Act

To prevent the Environmental Protection Agency and the Army Corp of Engineers (Corps) from using their “guidance” document to expand their jurisdiction of waters under the Clean Water Act.

NCBA urges a **Yes** vote on S. 2245. Key Sponsors: Sens. John Barrasso (R-Wyo.), Dean Heller (R-Nev.) and Jim Inhofe (R-Okla.)

H.R. 4278 – Preserving Rural Resources Act

To clarify Congress’ intent in providing regulatory relief to farmers and ranchers under the Clean Water Act’s (CWA) Dredge and Fill Section 404 program.

NCBA urges a **YES** vote on the Preserving Rural Resources Act

Key Sponsor: Rep. Robert Hurt (R-Va.)

H.R. 4157 – Preserving America’s Family Farms Act

To prohibit the Secretary of Labor from finalizing a proposed rule under the Fair Labor Standards Act of 1938 relating to child labor.

NCBA urges a **YES** vote on the Preserving America’s Family Farms Act

Key Sponsor: Rep. Tom Latham (R-Iowa)

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 the estate tax and more. 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.

Fear Not the Ides of March

By Kent Bacus, NCBA associate director of legislative affairs



I'm not one who typically quotes Shakespearean literature but one thing I remember from high school is Shakespeare's Julius Caesar, where the soothsayer utters these ominous words to Caesar: "Beware the Ides of March."

Historically, there's actually nothing ominous about the definition of Ides. It was used in the Roman calendar to denote the fifteenth day of March, May, July and October. For years, I've used

that quote to remind my friends and colleagues of my ability to quote some of the great literary minds and not just Larry the Cable Guy. But in 2012, the Ides of March took on a brand new meaning.

March 15, 2012, marked the implementation of the Korea-U.S. Free Trade Agreement (KORUS). National Cattlemen's Beef Association President J.D. Alexander said KORUS "may very well be the most monumental bilateral trade pact our industry has ever witnessed." As the fourth largest export market for U.S. beef in 2011, Korean consumers purchased \$646 million of U.S. beef and that is with the massive 40 percent tariff in place. Over the next 15 years, that tariff will be repealed at 2.67 percent per year. Some predict that U.S. beef sales in Korea could exceed \$1 billion once fully implemented. The bottom line is our producers will be able to sell more U.S. beef at a more competitive price to Korean consumers. Truly, this is a great opportunity for U.S. beef and a positive step forward in opening and expanding market access for U.S. beef around the world.

One of the greatest opportunities awaiting U.S. beef is the Trans-Pacific Partnership (TPP). NCBA is encouraged that the United States is engaged in trade negotiations with all of the countries participating in the TPP negotiations (Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam). TPP has the potential to be the beginning of a new era in global trade where tariff and non-tariff barriers are eliminated and standards are based on objective science instead of political protectionism.

For many years, U.S. beef has been subject to high tariff rates in many countries. This has been a tremendous trade barrier for U.S. beef, has hindered U.S. beef producers from reaching their full economic potential and has led to unnecessarily high prices for foreign consumers. For agriculture, eliminating tariff barriers in the TPP means producers in all countries will have improved market access to a larger base of consumers. For consumers, prices will be determined by market demand instead of being inflated by protectionist trade barriers.

In addition to eliminating tariff barriers, the United States must also make addressing non-tariff trade barriers a top priority in TPP

negotiations. All TPP countries must agree to and abide by the highest sanitary and phyto-sanitary standards possible, in accordance with the World Trade Organization (WTO) and the World Organization for Animal Health. Allowing individual countries to use subjective standards will promote greater instability and will keep TPP from reaching its full potential. No exceptions can be made. Internationally recognized science must be the basis for SPS and all countries must abide by those standards in order for TPP to truly succeed. Once it is fully implemented, TPP will set the standard for future global trade pacts. That is why it is so important for the negotiators to get it right.

Another exciting and potentially prosperous development for U.S. agriculture will likely occur later this year. It is fairly well-known that Russia will join the WTO once the accession terms are approved by Russia's legislature later this year. As part of their accession agreement, Russia will expand market access for U.S. beef to 60,000 metric tons (frozen beef) and an unlimited supply of high quality beef at a 15 percent tariff rate. This will significantly expand access for U.S. beef to Russia, which was the fifth largest market for U.S. beef in 2011 accounting for more than \$250 million in sales.

While the promise of greater market access is enticing, a few concerns remain with the non-tariff barriers. Given Russia's history of using unfounded standards to disrupt imports of U.S. pork and poultry, the U.S. beef industry needs assurances that Russia will implement and abide by internationally recognized, science-based standards for all proteins. In order for U.S. beef producers to expand their operations to meet demand in Russia, we need to know ahead of time that U.S. beef will not be subject to market-disrupting, non-science based standards.

Later this year, Congress may consider repealing a Cold War-era law commonly known as "Jackson-Vanik" and granting permanent normal trade relations status to Russia. Until that happens, U.S. beef producers will not benefit from the provisions of the Russia WTO accession agreement. For the benefit of all producers, we hope that our trade negotiators are able to get the necessary assurances in place so that U.S. beef producers can enjoy unfettered access to Russian appetites.

Without question, 2012 stands to be a pivotal year for advancing market access for U.S. beef and while we are very excited about the implementation of KORUS, we cannot afford to stop moving the proverbial ball forward. March 15 was not just important because it marked the beginning of implementation of a major free trade agreement. More importantly, the Ides of March is symbolic of the new, pro-trade fervor of the United States. Perhaps that gives new meaning to another quote from Shakespeare's Julius Caesar, "Caesar: The ides of March are come. Soothsayer: Ay, Caesar; but not gone."

CattleFax Update

On Wed., April 4, the markets traded mostly lower. Most live cattle futures contracts closed more than \$1.20/cwt. lower. A relatively light volume of fed cattle cash traded at mostly \$121/cwt. on a live basis and \$193 dressed. Most contracts are more than \$10/cwt. lower than recent highs. Feeder cattle futures closed about \$1/cwt. lower. The CME reported the Feeder Index at \$152.91/cwt., down \$0.23. The boxed beef cutout on the spot market was down more than \$2/cwt. Prices have only moved in a positive direction three of the last 25 business days. Spot market wholesale beef prices continue to trade below 2011 values. Fifty percent lean trim (50s) fell to \$59/cwt. - its lowest level since 2008. Estimated packer margins continue to be poor. Potential losses are more than \$100/head in the spot market. Grains traded mixed to softer. Corn futures shed about \$0.02/bu. on old crop and about \$0.01/bu. on new crop. Soybeans added mostly \$0.03/bu. Chicago and Kansas City wheat futures traded about \$0.20/bu. lower.

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 about the long-term benefits of fighting parasites with a strategic deworming program. Plus, we'll look at ways to ensure cattle get the proper nutrition and minerals with an all-weather product.

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 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-PAC is gearing up for the 2012 Young Cattlemen's Conference (YCC) May 31-June 7, 2012. The 2011 YCC class raised a record-breaking \$74,000 for the NCBA-PAC during a live auction. We need your help surpassing that record. This is possible with your generous contributions of items for the 2012 YCC auction. If you have an item to donate to the auction, please contact NCBA-PAC Director Anna Lee at alee@beef.org or at 202-879-9129. All items must be received by June 1, 2012.



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.