



**National Cattlemen's
Beef Association**

In this Issue

[Ag Groups Rally in Support of Full Estate Tax Repeal](#)

[Beef Producer, Animal Health Expert Explain Beef Production on Capitol Hill](#)

[FDA to Issue Guidance Documents on Antibiotic Use, Proposed Veterinary Feed Directives](#)

[Legislative Watch](#)

[New on the Web](#)

[Bringing 'Cowsense' to DC](#)

[Cattle Fax Update](#)

[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.



**Beltway
Beef**

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Cattlemen's Capitol Concerns

Ag Groups Rally in Support of Full Estate Tax Repeal

More than 30 national agricultural organizations sent a clear message to members of Congress today, Thurs., April 12, 2012, about the need for full and permanent repeal of the estate tax. The organizations sent letters to members of the [U.S. House of Representatives](#) and [U.S. Senate](#) to encourage swift action on the estate tax. The tax, commonly referred to as the death tax by the agricultural community, is a leading deterrent to the next generation of small business owners, including farmers and ranchers, to take over family owned and operated businesses. National Cattlemen's Beef Association (NCBA) President J.D. Alexander said the estate tax jeopardizes America's farm and ranch families' ability to provide food and fiber for a population expected to grow to 10 billion people by 2050.

"Death should not be a taxable event," said Alexander, who is a cattleman from Nebraska. "Our industry is in serious danger if laws are allowed to stifle the next generation. What we need now are jobs, a stable economy and food for a growing global population. Leaving the next generation to pay taxes on estates already taxed multiple times is not acceptable."

The organizations told members of Congress that the current state of the economy, coupled with the uncertain nature of estate tax liabilities, makes it difficult for family owned farms and ranches to make sound business decisions. The groups urged Congress to pass permanent estate tax reform. Specifically, the organizations encouraged the lawmakers to cosponsor legislation, the Death Tax Repeal Permanency Act, introduced by Congressman Kevin Brady (H.R.1259)

and Senator John Thune (S.2242).

If action isn't taken by Dec. 31, 2012, the tax will revert back to pre-2001 levels with estates valued at \$1 million or more taxed at 55 percent. Alexander said land and other assets easily push much of agriculture past the \$1 million mark.

"We are not talking about a tax on the wealthy. We are talking about farm and ranch families who have a great deal of wealth on paper when you consider land, farm machinery, livestock and other assets needed to feed the world. But they don't have a ton of cash in the bank to pay a penalty for just doing their jobs," said Alexander. "Congress has an opportunity to send a clear signal to the country that they are serious about creating jobs and allowing for the growth of small businesses and U.S. agriculture."

Beef Producer, Animal Health Expert Explain Beef Production on Capitol Hill

While members of Congress are in their home districts during this congressional work period, many of their staff in Washington, D.C., spent time learning about beef production during Beef 101 educational briefings hosted by the National Cattlemen's Beef Association. Anne Burkholder, a beef producer from Cozad, Neb., and Dr. Guy Loneragan, professor of food safety and public health at Texas Tech University, discussed topics ranging from cattle care and the Beef Quality Assurance (BQA) program to the tools used to raise healthy cattle.

Burkholder, who won the 2009 National BQA award, said at her feedyard, Will Feed, Inc., caring for the cattle comes first.

"Everyone has a responsibility on our farm. It's not a nine-to-five job. It's a way of life. It's my vocation," she said. "Our animals don't celebrate Christmas or birthdays. They rely on us to be fed and cared for 365 days a year. We work to keep them healthy and happy while they are at the yard."

Burkholder and Loneragan stressed the importance of utilizing multiple technologies, including the judicious use of antibiotics and antimicrobials, which have led to more efficient production of healthy, nutritious beef. Burkholder noted that efficiencies in the beef community have enabled the United States to produce 20 percent of the world's beef supply with just 7 percent of the world's cattle herd.

Loneragan told congressional staff that raising healthy cattle is critical to the success of the entire beef production chain. He said the use of antibiotics is just one of the many tools used to raise healthy cattle and that there is no substitute for good animal husbandry practices.

"Finding ways to support cattle health is the right thing to do for many reasons, including the well-being and productivity of the animals all the way to producing safe food," he said. "There is no 'solution in a bottle' that serves as a substitute for good animal care."

FDA to Issue Guidance Documents on Antibiotic Use, Proposed Veterinary Feed Directives

The U.S. Food and Drug Administration (FDA) announced its intent to publish in the Federal Register on Fri., April 13, 2012, three policy documents related to the use of antibiotics in food producing animals. Tom Talbot, a California beef producer, large animal veterinarian and current chairman of the National Cattlemen's Beef Association (NCBA) Cattle Health and Well-Being Committee, said NCBA is pleased FDA has resisted calls to ban antibiotic use in food producing animals but stressed the importance of the agency relying on a strong scientific foundation for all regulatory actions.

"Cattle farmers and ranchers work with veterinarians and animal health experts to implement comprehensive herd-health plans, which include the judicious use of antibiotics to prevent, control and treat any cattle health issues," Talbot said. "NCBA is pleased that FDA has resisted unscientific calls to completely ban the use of antibiotics and antimicrobials in cattle and other livestock species. However, we remain concerned with regulatory actions that are not based on peer-reviewed science or that set the precedent to take animal care and health decisions out of the hands of veterinarians."

Talbot said the final Guidance 209 seeks to phase out the use of some antibiotics for production uses and draft Guidance 213 proposes a voluntary path toward implementation of Guidance 209.

The final document is a draft proposed rule on veterinary feed directives.

"NCBA raised concern with FDA's Guidance 209 in 2010 because the agency lacked the necessary science in its recommendations. Antimicrobial resistance is multifaceted, extremely complex issue that cannot be adequately addressed solely by focusing on the use of antibiotics in animal agriculture," Talbot said. "While we appreciate the agency working with industry on the implementation of Guidance 209, we remain committed that a strong science foundation is critical before moving forward with this guidance."

Talbot said NCBA will continue reviewing the documents and work with the agency to ensure cattle farmers and ranchers have all the tools they need to raise healthy cattle.

"Cattle producers have a strong track record of working with veterinarians in the prudent and appropriate use of antibiotics and other herd health tools," he said. "NCBA will continue carefully reviewing FDA's documents and working with the agency on these and all other issues related to the health and well-being of America's cattle herd to ensure producers have the tools they need to continue producing the safest beef supply in the world."

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](#).

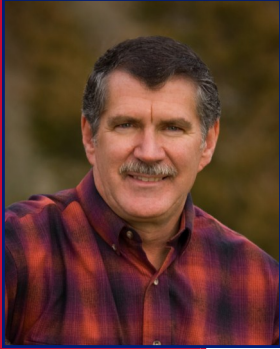
New on the Web

Check out the [Beltway Beef blog](#) for inside perspectives on issues affecting U.S. cattlemen and women. You will find updates on antibiotic use in the cattle industry, trade 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.

Bringing 'Cowsense' to DC

By U.S. Representative Denny Rehberg (R-Mont.)



Take a walk through the halls of the federal bureaucracy that now occupies Washington, D.C., and you might have a hard believing that our country was founded by farmers and ranchers. This is especially true in light of a new rule being proposed by the Department of Labor to restrict the ability of farmers and ranchers to hire young people to work in agriculture.

As a fifth-generation Montana rancher and a father of three, it's clear this so-called "Youth Ag Rule" was not written by anyone who's ever lived or worked on a farm or ranch. There's a reason agricultural groups across Montana and the country oppose these new rules as unnecessary, intrusive, and what's more, insulting. Some Washington bureaucrats may want us to believe the government knows best when it comes to protecting and providing for our kids, but I don't buy it, and neither do America's farmers and ranchers.

Among the problematic provisions proposed by the Department of Labor under the Obama Administration, the rule says:

- No one under the age of 16 would be allowed to work with animals when pain is being inflicted, such as branding, castrating, vaccinating, etc.
- No one under the age of 16 would be allowed to work on a ladder or a scaffold over 6 feet high (current restriction is 20 feet).
- No one under the age of 16 would be allowed to work in a pen with an uncastrated male bovine, porcine, or equine animal over 6 months old.
- Currently, hired workers under the age of 16 are not allowed to operate combines, corn pickers, etc. The proposal would prohibit those under 16 from using all power driven machines to do ag work, including anything operated by "wind, electricity, fossil fuels, batteries, animals or water."

- No one under 18 would be allowed to work in stockyards, grain elevators, feedlots, livestock exchanges and auctions.

These rules just don't make sense. That's clear to anyone who's been on a family farm or ranch. In fact, tens of thousands of family farmers and ranchers voiced their outrage to their elected officials. But this is what happens when big city bureaucrats try to craft policies for rural America. We're left to try and stop an attack on the family farm by the Department of Labor that's got folks around the country up in arms.

I have taken the lead in the House of Representatives opposing this burdensome regulation. After hearing from a number of Montanans who were worried that the Department of Labor comment period was scheduled in the peak of



harvest season, I wrote a letter with 77 of my colleagues to the Secretary of Labor asking for an extension to the comment period.

But I wanted to make sure she knew that agricultural producers across the country were concerned so I wrote another letter expressing my opposition to the proposed regulation. This time, 152 of my colleagues from both

parties signed my letter and sent a clear message the Department of Labor that the family farm is an honored American tradition and the government should not be instituting regulations to harm it.

As chairman of the House Appropriations Subcommittee responsible for funding the Department of Labor, I have promised to include language in the Appropriations legislation to prevent the implementation of this proposal in its current form.

A federal bureaucrat sitting behind a desk in Washington, D.C., simply does not care about the safety of ag youth more than the parents and community those kids live in. We don't need the federal government looking over our shoulders, telling us how best to pass down the agricultural knowledge we grew up learning.

CattleFax Update

On Tues., April 10, most commodity and equity markets were sharply lower on the day. Live cattle futures contracts closed more than \$1.50/cwt. lower. The CME reported the Feeder Index at \$159.76/cwt., down \$0.52. The spot market boxed beef cutout prices ended the day mixed. Wholesale beef prices continue to trade below last year's values on the spot market. Many cuts are near 2010 values. Buyer interest should increase with the \$20/cwt. break in wholesale values, but summer supplies are on the horizon. Estimated packer margins continue to be poor. The USDA released the monthly balance sheet revisions for corn, wheat and soybeans. Analysts expected a revision to lower corn ending stocks but levels remained unchanged from last month. Ending stocks for soybeans and wheat declined as expected. Corn futures shed about \$0.16/bu. on old crop and about \$0.07/bu. on new crop. Soybeans dropped around \$0.05/bu.

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*, viewers will hear from cattlemen and leaders from Dow Agrosiences about the benefits of a strong forage and pasture management program. Plus, we'll hear from one cattleman about how his work to manage the land and its resources have improved his overall profitability.

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

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.

Beef Veterinarians Take to Capitol Hill: The [Academy of Veterinary Consultants](#) (AVC) is holding its spring conference in Washington, D.C., this week. 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 AVC's goals during its meetings is to meet face-to-face with 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.



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.