



**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.*



# Beltway Beef

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## Cattlemen's Capitol Concerns

### NCBA Urges Certainty in Tax Code

National Cattlemen's Beef Association President J.D. Alexander today, May 10, 2012, submitted [comments](#) on behalf of NCBA to the House Committee on Ways and Means, Subcommittee on Select Revenue Measures regarding expiring tax provisions.

"Cattlemen deal with daily stress of uncertainty in water supply, feed availability, forecasting of prices, labor supply, the health and welfare of their animals, not to mention all of the other normal stressors that

come with operating a family business. These are factors beyond our control and we do not ask nor want government assistance in addressing them," said Alexander. "But one area the government can help is providing certainty in the tax code. The lack of

certainty in the tax code is hindering our economic growth and is detrimental to our ability to reach our full potential."

Alexander said one of the most important issues facing beef-producing families is the future of the estate tax, more commonly referred to as the

costs, rising property values and an uncertain tax code, according to Alexander, make it difficult for family farmers and ranchers to plan for the future of their estates.

"We cannot afford for the estate tax to continue being a political football that is punted year after year. We need permanency in the tax code," he said.

NCBA was pleased that temporary estate tax relief for two years was provided in the 2010 tax package. The current estate tax exemption applies to estates up to \$5 million a person (\$10 million per couple) and taxed at a rate of 35

percent. Alexander said NCBA supports a full and complete repeal of the estate tax, or at the very least, a long term extension of current estate tax relief or relief for estates engaged in production agriculture.

*"Cattlemen deal with daily stress of uncertainty in water supply, feed availability, forecasting of prices, labor supply, the health and welfare of their animals, not to mention all of the other normal stressors that come with operating a family business. These are factors beyond our control and we do not ask nor want government assistance in addressing them. But one area the government can help is providing certainty in the tax code."*

~ J.D. Alexander, NCBA president

death tax. The death tax is one of the leading causes of the breakup of multi-generation family farms and ranches. If Congress fails to act by the end of this year, the estate tax will revert to a \$1 million exemption, taxed at a 55 percent rate. Increasing production

### NCBA Accepting Applications for Fall 2012 Public Policy Interns

The NCBA government affairs office in Washington, D.C., is currently looking to hire public policy interns for fall 2012. NCBA offers a unique internship for students interested in the beef industry and federal policy. Interns will have the opportunity to engage with NCBA staff on several fronts including policy, communications and membership. Interns will work closely with the lobbying and regulatory teams to advance policies important to the beef industry. [Click here](#) for more information and to download the application. Applications are due by June 4, 2012.

The full-time internship will begin Sept. 10, 2012 through Dec. 14, 2012. To apply, interested college juniors, seniors or graduate students should submit the application, a college transcript, two letters of recommendation and a resume to [internship@beef.org](mailto:internship@beef.org).

## Virginia Veterinarian, Beef Producer Takes Reins as NCBA Chief Veterinarian

After spending 27 years practicing veterinary medicine, one year as a congressional fellow and more than 11 years managing her family's cow-calf operation, Kathy Simmons, D.V.M., started a new role as chief veterinarian for the National Cattlemen's Beef Association (NCBA). Simmons will focus on animal care and health regulatory issues both domestically and internationally.

Simmons studied biology and biochemistry at Virginia Tech University before earning a doctor of veterinary medicine degree from the Virginia-Maryland Regional College of Veterinary Medicine at Virginia Tech in 1984.

Simmons practiced veterinary medicine at the Herndon-Reston Animal Hospital in Herndon, Va., for 27 years and also has an active role managing her family's farm, S&S Farms, in West Virginia, where they raise registered black Angus cattle.

Most recently, Simmons spent one year as a policy fellow on Capitol Hill for the American Association for the Advancement of Science and the American Veterinary Medical Association. She served in the office of U.S. Senator Olympia Snowe (R-Maine) focusing on health

policy issues. Simmons said her new role as NCBA chief veterinarian will allow her to bring together her practical veterinary and policy experiences with her vast knowledge of the U.S. beef cattle industry.

"As I learned many years ago working with my family on our farm, cattlemen and women must have the ability to work with their veterinarians to implement science-based, comprehensive herd health plans and provide the utmost care for their animals. Regulations and policies affecting animal health should not stifle their

*"This is a one-of-a-kind opportunity that will enable me to use my practical veterinary and policy experiences to ensure cattlemen and women have all the cattle health resources and tools they need while also maintaining an active role on my family's farm and working alongside America's cattle farmers and ranchers."*  
 ~ Kathy Simmons, NCBA chief veterinarian

ability and must be science-based," Simmons said. "Cattlemen and women work each day to raise healthy cattle and provide your families with the safest beef supply in the world. This is a one-of-a-kind opportunity that will enable me to use my practical veterinary and policy experiences to ensure cattlemen and women have all the cattle health resources and tools they need while also maintaining an active role on my family's farm and working alongside America's cattle farmers and ranchers."

### 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 / H.R. 4965 – 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.), Jim Inhofe (R-Okla.) and Jeff Sessions (R-Ala.) and Reps. John Mica (R-Fla.), Nick Rahall (D-W.V.), Frank Lucas (R-Okla.) and Collin Peterson (D-Minn.)

#### H.R. 5381 – Commonsense Legislative Exceptional Events Reforms Act of 2012 (CLEER Act)

To amend the Clean Air Act to exempt exceptional event demonstrations, like dust storms, and for other purposes.  
 NCBA urges a **YES** vote on the CLEER Act  
 Key Sponsor: Rep. Jeff Flake (R-Ariz.)

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 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.

## Clearing up the CLEER Act

By U.S. Representative Jeff Flake (R-Ariz.)



In July of 2011, a huge dust storm nearly a mile high at its largest point rolled from Tucson to Phoenix in my home state of Arizona. Bringing visibility down to absolute zero at several points on its 50 miles wide warpath across the desert, the storm grounded planes for an hour and a half and left thousands of cars, buildings and homes caked in a thick coat of grime.

Not surprisingly, this huge dust storm caused pollution levels in the area to skyrocket. It's been reported that the level of particulate matter – the scientific term for dust – reached more than double the level federal standards consider healthy the day after the storm hit.

Under the Clean Air Act (CAA), the Environmental Protection Agency (EPA) sets standards for air quality pollutants, including particulate matter, or dust. Having air quality data, collected from a network of monitors, showing that standards have been exceeded can trigger a set of burdensome regulations that can ultimately lead to federally enforceable pollution control requirements.

Whether a state is currently meeting the standards or already failing to attain them, instances of exceeding the CAA standards can have costly regulatory consequences even if they are caused by so-called “exceptional events” - or events like the dust storm that roared through The Grand Canyon State that are simply beyond human control. Ranchers and farmers in arid parts of the country are already forced every year to spend too much money mitigating dust. But asking them to pay more to get rid of dust caused by natural phenomena completely outside their control is completely unacceptable.

While one would think it would simply be commonsense, the EPA has a complex process to exempt from air quality data the spikes caused by exceptional events. Maybe not so surprising, the process by which states submit these events for review is complicated, unpredictable, long, and above all, expensive. Frankly, even EPA has admitted this process is broken.

Earlier this week, I introduced the Commonsense Legislative Exceptional Events Reform (CLEER) Act, which will remedy a number of issues that make the exceptional events review

process untenable for states and for the ranchers and farmers who are affected most by dust.

The EPA has no timeline under which to review states' requests to exclude an exceptional event, which come in the form of costly demonstrations submitted by states for the EPA's review. This causes considerable and completely avoidable regulatory uncertainty. The CLEER Act will require a 90 day review period, with the demonstration being considered approved if EPA hasn't taken action.

The regulations governing exceptional events leave the decision entirely at the discretion of EPA. Exclusions are granted only at the “EPA's satisfaction,” whatever that means. The CLEER Act will require the EPA to provide specific and publically-disclosed criteria on which exceptional events demonstrations will be evaluated, recognizing the varying level of expertise and resources available at the state and local level.

The legislation also calls for the consideration of an expedited approval process and forces EPA to give wide discretion to the state's in deciding what is and isn't exception. In this case, we can all agree that states know best.

Finally, the CLEER Act adds a level of accountability by making EPA's decisions on exceptional events demonstrations appealable.

Here's the bottom line: States, farmers, and ranchers shouldn't face bureaucratic penalties from the EPA for naturally occurring events, like dust storms. The CLEER Act will make the process to exempt these exceptional events clearer, faster, and less costly.

Though the issue is dust, our goal is clear: Congress must act to ease this regulatory burden. I'm proud to have the National Cattlemen's Beef Association's support for this bill and will work to ensure its swift passage in the House.

## CattleFax Update

On Wed., May 9, 2012, prices ended the day lower in the commodity and equity markets. Live cattle futures contracts traded more than \$0.50/cwt. higher. Feeder cattle futures traded mixed. The CME reported the Feeder Index at \$148.59/cwt., up \$0.13. Boxed beef cutout values improved a few cents, while the pork cutout continues to lose ground. Pork values are currently trading near 2008 levels, and the beef-to-pork ratio is at its highest level since 2009. Grains traded lower ahead of the USDA crop report. Corn futures dropped about \$0.25/bu. on old crop and new crop lost \$0.11/bu. Soybeans fell more than \$0.10/bu. in most contracts. Chicago and Kansas City wheat futures declined \$0.15/bu.

For recent market news and analysis, visit

[www.CattleFax.com](http://www.CattleFax.com).

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

Don't miss a special edition of NCBA's *Cattlemen to Cattlemen* May 15-19. Meet the leaders of the Federation of State Beef Councils and learn how the organization puts beef checkoff dollars to work.

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](mailto:alee@beef.org) or at 202-879-9129. All items must be received by June 1, 2012.

**NCBA Member Participates in National Stakeholder Meeting on Antibiotic Use in Food Producing Animals:** Dr. Mike Apley, NCBA member, veterinarian, and professor at the College of Veterinary Medicine at Kansas State University, participated in a stakeholder meeting on antibiotic use in food producing animals hosted by the Alliance for the Prudent Use of Antibiotics. Representatives from the federal government, various industry groups and universities participated in the meeting. Dr. Apley's presentation focused on the ways cattle farmers and ranchers judiciously use antibiotics as just one tool in their comprehensive herd health plans.



## 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](mailto:membership@beef.org).*