



**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

NCBA Narrows Knowledge Gap on Capitol Hill

The National Cattlemen's Beef Association (NCBA) kicked off its Beef 101 series Tues., March 22, 2011. Beef 101 is a beef educational series exclusively for members of Congress and their staff members. The program, now in its third year, was developed to bridge the knowledge gap between elected policymakers and the U.S. beef industry. According to NCBA Executive Director of Legislative Affairs Kristina Butts, the recent session was the first in 2011 and focused on the basics of beef production in the United States.

"These sessions are purely educational. It is important for our elected leaders to understand modern beef production in order to make informed decisions that are based on reality, rather than propaganda," said Butts, who founded the program during the 111th Congress.

The session featured NCBA Executive Director of Producer Education Tom Field, PhD, who gave a general overview of the U.S. beef

industry. He told the more than 70 attendees that the beef industry, which contributes approximately \$44 billion annually to the U.S. economy in farm gate receipts, is by and large family owned. He explained the notion of factory farms was an attempt by extremists to muddy the facts.



"When decisions are made that hurt the beef industry, it isn't so-called factories that go out of business. It's people like me who suffer. We are talking about families that care for their animals better than anyone in the world," said Field, who runs a family cattle operation with his two brothers in Parlin, Colo. "These families are going to be tasked, in the not-so distant future, with feeding a

population equivalent to two Chinas. We can't afford to lose them."

Field explained that the current beef industry is made up of 742,000 beef herds totaling 30.9 million cows and 26.7 million feeder calves. Since 1987, nearly 300,000 producers have exited the cattle business, leaving the United States with the lowest cattle inventory since World War II. This decline, which Field calls the industry's gravest worry, even continued during a "relatively high level" of profitability from 1999-2010. He said drought; land values; input costs; downward turn of the U.S. economy; increasing age of the average cattlemen; propaganda overload; and unprecedented government regulatory overreach are all major contributing factors to the decreasing cattle inventory. However, he emphasized how efficient and skilled our U.S. cattlemen and women are. He said the United States accounts for 7 percent of the world's cattle but provides 20 percent of global beef production. This is unmatched by any other country.

Eliminating Trade Barriers Could Mean Increased Exports to China

The elimination of China's tariff and other trade restrictions could lead to an additional \$3.9 to \$5.2 billion in U.S. agricultural exports to China, according to an U.S. International Trade Commission study. National Cattlemen's Beef Association Manager of Legislative Affairs Kent Bacus said the Chinese market remains closed to U.S. beef since the 2003 discovery of a Canadian-born cow infected with *bovine spongiform*

encephalopathy (BSE) in the United States.

"China represents one of the largest potential growth markets for our industry, worth in excess of \$200 million," Bacus said. "Since 2003, the United States has put multiple safeguards in place to ensure our cattle meet international health standards. It is time to resolve these outstanding non-tariff barriers and use internationally recognized science-

based standards to expand trade opportunities for U.S. beef."

Bacus said the report sheds light onto the harmful effects China's unscientific barriers continue to have on U.S. beef. With less than five percent of the world's consumers living inside the U.S. borders, he said it is imperative to expand opportunities to sell beef in international markets.

Washington Ranchers Donate \$18,000 Plus to Japan Earthquake Relief

On Wed., March 23 Washington ranchers raised \$18,281 to make sure food gets to the victims of the March 11 earthquake and tsunami in Japan. The donation was generated by several ranchers who placed bids on one yearling heifer at the annual Washington Cattlemen's Association (WCA) Bull Test Sale in Eltopia, Wa.

"Ranchers know better than anyone how to be neighborly. We always help each other out on our ranches when there is a need. We consider Japan our neighbor, so when the disaster hit their country, we wanted to find a way to help," said Centerville rancher Jim Sizemore. Sizemore and his family donated the seven hundred pound heifer to the WCA for the auction.

The heifer was auctioned and donated back several times to generate funds to contribute to the Japan Relief Program administered by the United States Meat Export Federation (USMEF). The program is set up to help address the dire need to feed citizens displaced by the natural disaster.

"Washington's beef industry does a lot of business with Japan. They are a valued trade partner and we feel connected to many people and businesses there," said Ron Reyer, President of the Washington Cattle Feeders Association. "Contributing to relief efforts in this way is the right thing to do for the right reasons – getting food to the Japanese people in their time of need."

The Cattle Feeders contributed \$2,500 during the auction.

The auction took place at Bonina Feed and Sale Facility. More than 300 ranchers from across the state attended the sale and several participated in the charity auction.

"Our hearts break over news of the Japanese people suffering in the aftermath of the earthquake and tsunami disaster," said Larry Olberding, President of the Washington Cattlemen's Association. "We are proud to provide a donation that will help feed homeless families while food shortages in the country are expected to continue into the summer."

Legislative Watch

Amendment 122 to S. 493, the SBIR/STTR Reauthorization Act of 2011

This amendment would repeal the Volumetric Ethanol Tax Credit. A full Senate vote on Amendment 122 could happen NEXT WEEK. NCBA urges a **YES** vote on Amendment 122
Key Sponsor: Sen. Tom Coburn (R-Okla.)

Amendment 183 to S. 493, the SBIR/STTR Reauthorization Act of 2011

This amendment would amend the Clean Air Act to prohibit the Administrator of the Environmental Protection Agency from promulgating any regulation concerning, taking action relating to, or taking into consideration the emission of a greenhouse gas to address climate change, and for other purposes. A full Senate vote could happen on Amendment 183 NEXT WEEK. NCBA urges a **YES** vote on Amendment 183
Key Sponsor: Sen. Mitch McConnell (R-Ky.)

H.R. 509 / S. 249 – To amend the Endangered Species Act of 1973 to provide that Act shall not apply to any gray wolf

The gray wolf has been on the ESA since 1972. Since then, wolf populations have not only recovered, but grown to such considerable sizes that they are threatening wildlife and livestock. In order to give states the authority to manage wolf populations, this legislation removes Endangered Species Act (ESA) protections for gray wolves. NCBA urges a **YES** vote on H.R. 509 / S. 249
Sponsors: Rep. Denny Rehberg (R-Mont.), Sen. Orrin Hatch (R-Utah)

H.R.965 – Preservation of Antibiotics for Medical Treatment Act of 2011

Would stop veterinarians and producers from preventing disease in livestock, which would ultimately harm animal welfare, animal health, food safety, and food security. Prevention of disease is a cornerstone in both human and animal medicine. NCBA urges a **NO** vote on H.R. 965
Key Sponsor: Rep. Louise Slaughter (R-NY)

New on the Web

Check out the [Beltway Beef blog](#) for inside perspectives on issues affecting U.S. cattlemen and women. This week's features includes news about the departure of Gregg Doud from NCBA's Washington, D.C., team as he pursues a new career working for the U.S. Senate Agriculture Committee; the harmful effect over-regulation has on

production agriculture; and about animal welfare. 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.

Regulating Dust Will Hurt Job Creation

By Rep. Kristi Noem



Congresswoman Kristi Noem represents South Dakota in Congress. She is in her first term.

I've spent a lot of time over the years checking cows and any cattleman can tell you there is a mental checklist you go through every time you do, especially this time of year. Do they have enough feed and water? Are any off their feed and are the calves all up and sucking? How are the fences?

One question most ranchers don't spend a lot of time worrying about is, "how much dust am I creating?" But if the Environmental Protection Agency (EPA) had its way that is exactly the question you could be worried about next.

The EPA is considering new, more stringent standards for regulating Coarse Particulate Matter (PM10), or "dust," that would be devastating to rural America. Like so many of the new regulations coming out of the bureaucracy in Washington, D.C., it seems as if this was thought up in a vacuum without much thought to its impact on the real world, especially in rural America.

As you well know, many activities essential to farming and agribusiness can involve kicking up some dust. The EPA is considering implementing regulations that could toughen the current standard and in turn push many areas in your states into or near "nonattainment". This is unacceptable given the likelihood that once an area is designated as nonattainment, activities such as tilling soil, harvesting crops, moving livestock and driving down unpaved roads are likely to become regulated activities, subject to fines of \$37,500 a day for violations.

Americans are demanding commonsense, responsible solutions to economic recovery that encourage innovation and job creation. EPA's possible further regulation of dust is a big step in the wrong direction on that front. Revised dust standards are unnecessary, would stifle economic growth in rural areas, and would cause severe economic strain our farmers and ranchers.

Finally, EPA acknowledges that more stringent standards are not necessary to protect public health. In fact, EPA's own assessment acknowledges scientific uncertainty in the justification to change the current standard. In contrast, making the standard more stringent would prevent job

creation, raise input costs for farmers, and greatly slow economic development throughout rural America. The answer is clear: we must urge the EPA not to make rural America "collateral damage" in its efforts to control dust in urban America.

I introduced an amendment to halt the EPA's actions earlier this year that passed with bipartisan support in the U.S. House as part of H.R. 1 a bill to fund the government for the rest of the fiscal year. That bill has languished in the U.S. Senate so we are also introducing a stand-alone bill because we cannot let the EPA get away with this without a full debate.

Anyone who has driven a combine through a field knows that dust is a part of rural living. The possibility of the EPA fining farmers and livestock producers who practice good

management through further regulation of dust would be excessive and detrimental to our nation's vital agriculture industry. It is hard to think of something more emblematic of Washington's regulatory overreach than the potential punishment of farmers and livestock producers for kicking up dust.



There is enough uncertainty for farming in rural America. It seems nearly every policy coming out of the Washington bureaucracy today will add more uncertainty to America's farms, ranches and other small businesses. Whether it is instituting a cap and tax regime by regulatory action or adding new fines and paperwork burdens on small businesses through the new health care law, Washington seems to have no regard for what it takes to grow an enterprise or create a job in rural America. I know from my experience as a farmer and rancher as well as talking with many South Dakota small business entrepreneurs, adding another employee or expanding the business is the last thing on your mind when there is a tax or regulatory uncertainty looming out there on the horizon.

There is a lot of work to be done in Washington to help ensure new policies take small business job creation in to consideration. One important step we can take immediately is to make sure we do not need to add to the uncertainty with the threat of tougher EPA regulations on farm dust. Burdening rural America with greater regulations on dust is excessive and will hurt job creation.

CattleFax Update

Prices for fed cattle declined this week, reacting to a lower futures market due in part to the disaster in Japan. In the South, sales were collected at \$113 to \$115 which is \$3 to \$4 lower, while in the North, the bulk of the trade was \$114 to \$114.50 live and \$182 to \$186 dressed. Trade volumes slowed this week but remained adequate. Boxed beef values increased sharply as lower production along with short bought buyers combined to push prices higher. Volumes slowed on the rally as some buyers shied away from the increased values. Feeder cattle and calf prices ranged from \$2 to \$.200 lower as sales began week higher but faded as the week progressed. Slaughter cows were primarily steady to \$2 firmer for the week. Corn prices started the week softer but rallied hard past mid-week as the situation in Japan become more stable.

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

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

Don't miss NCBA's *Cattlemen to Cattlemen*, March 29-April 2. We head to Texas to show viewers why one rancher believes a sound reproductive vaccination program is the key to his operation's success. Plus, we take a look at how this the beef industry's own Master of Beef Advocacy program is helping farmers and ranchers across the country connect with consumers.

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

PLC to Hold Legislative Conference Next Week: Members of the Public Lands Council (PLC) will be in Washington, D.C., next week for their annual legislative conference. In addition to meeting with their elected officials in the U.S. House and Senate, PLC members will also hear updates from officials from various federal government agencies; NCBA leaders; congressional committee leaders and other industries that support multiple-uses on public lands.

June CattleFax Risk Management Seminar: Register now for this popular seminar, June 8-9, in Denver. It's a great opportunity for those who want to incorporate new ideas in building a risk management plan or in refining their current strategy. Seating is limited so don't delay. This seminar fills up quickly.

For information or to sign up, call 1-800/825-7525 or go to CattleFax's [website](#).



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.