

2007 Cattle Industry Annual Convention & Trade Show

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Ethanol Tops Ag Policy Concerns

Ag Policy Committee discusses Farm Bill, animal rights activism, and issues likely to resurface in Congress.

by Troy Smith

NASHVILLE, TENN. (Feb. 2) — Often filtering the spillover from other National Cattlemen's Beef Association (NCBA) committees, as well as raising its own issues, the Agricultural Policy Committee addresses matters related to legislative and regulatory issues. Discussions at the committee's Friday meeting focused primarily on the 2007 Farm Bill, potential reforms to administration of the \$1-per-head beef checkoff, and the present and future effects of growing ethanol production.

NCBA's Washington lobbyist Colin Woodall dubbed the Farm Bill by far the biggest task facing the association during the coming year. He said many Washington insiders predict related discussions will focus on three things: energy, energy and energy.

Agricultural Policy Committee members advanced a directive outlining favored principles to guide NCBA action for influencing Farm Bill legislation. Basic priorities include supporting reduction of the federal deficit without burdening agriculture with a disproportionate share of reductions to Farm Bill spending. Targeted is national policy based on the concepts of free, private enterprise and competitive markets.

Specific to natural resource and conservation policy, the directive calls for the elimination of redundancy or overlap among current U.S. Department of Agriculture (USDA) programs and improved efficiency. With regard to commodity programs, the directive supports

a transition or phase-out period for programs that might be ended, rather than an abrupt halt creating severely negative economic effects. Stated was strong NCBA opposition to direct cash payments to any livestock production segment for the purpose of offsetting low market prices.

The directive supports international trade policies pursuant to expanded markets for U.S. beef, and enforcement of trade agreements. In response to increasing animal activism, the directive opposes use of the Farm Bill as a platform for extremist organizations to promote anti-meat agendas.

Another approved Agricultural Committee directive calls for consideration of Beef Checkoff Task Force recommendations pursuant to amendments to the Beef Promotion and Research Act and Order. Recommendations call for an opportunity, every five years, for producers to petition for a referendum on continuation of the checkoff. Also considered would be adjustment of the checkoff rate. An increase to \$2 per head would be subject to producer approval by referendum.

Survey results indicating widespread confusion over who administers the checkoff prompted the task force to recommend an educational effort to enhance producer understanding. Also recommended were steps to make the checkoff more inclusive by countering perceptions that it is tied only to certain national industry organizations. The directive calls for input

from all state and national policy organizations, with a vote on checkoff enhancement scheduled for the 2008 Cattle Industry Annual Convention. NCBA members not attending the Convention in Reno, Nev., would have the opportunity to vote by mailed ballot.

Representatives from four states carried ethanol-related policy proposals to the committee. Ultimately, members voted and advanced a resolution favoring a market-based ethanol industry. It opposed renewal of the current 51¢-per-gallon tax credit offered as an incentive to ethanol blenders. The resolution also called for "input segmentation" of renewable fuel standards. The objective was to avoid mandates whereby corn is the primary ethanol production source and an unintended consequence of the mandates is excessively high prices for feedgrains.

Woodall said issues certain to resurface in Congress were country-of-origin labeling and a ban on slaughter of horses in the U.S. Existing NCBA policy opposes both. Woodall cited ever-increasing lobbying efforts among animal activists bent on abolishing animal agriculture.

"More of us involved in meat production have to engage in the process," Woodall urged, "and let our legislative representatives hear more voices."

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