

LEGISLATIVE LANDSCAPE

A new era is afoot in Washington. What does it mean for cattlemen?

by Jay Truitt

As a result of the November 2002 elections, a great number of changes have taken place in the U.S. Congress that will affect the way cattlemen and livestock producers will work with Congress. Chandler Keys, NCBA Vice President of Government Affairs says that the changes that have occurred since the election will be important to ranchers and farmers.

"I don't think in terms of whether or not we're going to see a particular party push their agenda," explains Keys. "When you look at voter turnout, obviously participation in the rural districts was a key element in determining this election. I think rural America wants to make sure their voice is heard in Washington, and NCBA is committed to conveying their message."

For cattle producers, the future looks bright for priority issues such as tax reform, food safety, and the environment. "We can expect to have policymakers looking to industry for more input," says Keys. "The new Congress is likely to take a more pro-business approach to their agenda." The Administration has been quick to capitalize on the energy of the new Congress with the introduction of a \$674 billion economic stimulus package that would speed up many of the tax cuts passed by Congress in 2001.

The Administration's package would eliminate all taxes paid on corporate dividends; accelerate the income tax cuts of the 2001 tax package and speed up the changes in the marriage tax penalty. In addition, the package will triple the expensing levels for all businesses and index those increases to inflation. The most controversial of the President's proposals is the elimination of taxes on corporate dividends to shareholders. Subtle changes to the Alternative Minimum Tax and increased Section 179 expensing are also included in the package. Permanent repeal of the Death Tax is not included in the stimulus package but is included as part of the Administration's budget. Democratic representatives have developed a spending and tax rebate package as the alternative to the President's stimulus/growth bill.

In the food safety arena, NCBA will aggressively follow up on the beef industry's January 2003 E. coli summit with meetings between cattlemen and USDA, the White House and Congressional staff to address such issues as research funding, approval of new intervention methods and keeping Congress aware of producers' efforts to address E. coli problems.

On the nutrition front, USDA and the Department of Health and Human Services are set to revise the Dietary Guidelines starting in 2003. NCBA, working with other animal agriculture groups, will ensure that someone knowledgeable of animal agriculture is appointed to the panel that ultimately decides on the revisions. "Meetings will be held throughout the next two years and we'll file comments on the revisions," Keys says. "The revisions of the Dietary Guidelines are expected to be completed in 2005 and NCBA will be involved every step of the way."

Environmental issues will continue as a major focus for the cattle industry. "The 108th Congress presents new opportunities to practically reform the Endangered Species Act based on sound science," Keys says, "something cattlemen have been working toward for years. In addition, NCBA will continue to work with other ag groups and the Natural Resource Conservation Service to ensure the Farm Bill is implemented as intended and that funds for conservation programs such as EQIP remain in the Farm Bill budget."

In addition, NCBA will continue to monitor drought conditions and develop appropriate remedies. "We will work to ensure funding for the Livestock Assistance Program is provided in the appropriations process," Keys says.

Shake-up in Leadership

While much of the pre-election media focused on key U.S. Senate races, one of the most interesting results occurred in the House of Representatives, where Republicans actually gained seats rather than losing seats as predicted by most Washington pundits. Minority Leader Richard Gephardt (D-Mo.) resigned as minority leader and Representative Nancy Pelosi (D-Calif.) has taken over Democratic reins in the House. Representative Dennis Hastert (R-Ill.) retains his role as Speaker of the House and Representative Tom DeLay (R-Texas) moves up to take the number two spot opened by the retirement of Representative Dick Armey (R-Texas).

In the House, Ag Committee Chairman Larry Combest (R-Texas) announced his retirement from Congress and has turned over reins to the Agriculture Committee to Representative Bob Goodlatte (R-Va.). Eight new members of the House have been assigned to the Agriculture Committee. The House Resources Committee is now chaired by Representative Richard Pombo (R-Calif.), a strong advocate for livestock producers and with a

solid understanding of cattlemen's issues. Pombo has served as chairman of the Western Caucus, and chairman of the Subcommittee on Livestock in the House Agriculture Committee.

The Senate Agriculture Committee is now under the strong leadership of Senator Thad Cochran of Mississippi. Senator Cochran played a key role in the development of the 2002 Farm Security Act, and has been a strong ally of NCBA on both the Agriculture and Appropriations Committees. Cochran was re-elected to the Senate for his fifth time in the recent election with 85% of the vote. Cochran is also a longtime member of the Appropriations Committee (Agriculture Subcommittee Chairman) and will likely have the opportunity to chair the full Appropriations Committee when Senator Ted Stevens completes his term as Appropriations Chairman in 2004.

Senator Pete Domenici (R-N.M.) has taken over the Energy & Natural Resources Committee, another position vital to U.S. cattle industry interests. Domenici has been an outspoken advocate on behalf of cattlemen in the Senate on a number of resource and public land use issues. Domenici will be responsible for putting the Senate back on track to pass an energy bill.

A great number of NCBA policy and regulatory concerns find their way before the Senate Environment and Public Works (EPW) Committee which has oversight over EPA and other agencies. Senator James Inhofe (R-Okla.) is now chairman of EPW and will be a great advocate for farmers, ranchers and small business.

Both political parties raised and spent record amounts on races this past year. NCBA And TCFA Political Action Committee funds were used aggressively over the last two years in preparation for the election. Cattlemen nationwide contributed more than \$400,000 to candidates in House and Senate Races. NCBA contributed to 182 candidates -- 169 of whom were victorious on November 5. NCBA PAC is continuing to work to help candidates eliminate debt, and yes, prepare for the upcoming 2004 elections.

TCFA's Beef-PAC had a successful election cycle as well. During the last two years, Beef-PAC contributed \$218,667 to 107 candidates in state and national races. Of those, 95 were successfully elected.

Working closely, NCBA and TCFA have represented cattlemen's ideas and ideals in Washington for many years. That same cooperative effort will help ensure that your voice is heard on a wide array of important policy issues for years to come.

Editor's Note—Jay Truitt is executive director of legislative affairs for the National Cattlemen's Beef Association.