



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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President Announces Executive Action on Immigration

President Obama announced on Thursday that he will use his executive authority to grant millions of undocumented immigrants a work permit and a reprieve from deportation proceedings. According to the White House fact sheet, more than 4 million people – specifically the undocumented parents of legal residents or U.S. citizens – will be shielded from deportation.

"Individuals will have the opportunity to request temporary relief from deportation and work authorization for three years at a time if they come forward and register, submit biometric data, pass background checks, pay fees and show that their child was born before the date of this announcement," the White House said in its statement.

The Migration Policy Institute (MPI), a Washington-based think tank and research firm, estimates that 3.7 million parents of U.S. citizens or legal permanent residents (green card holders) could apply for a grant of relief from deportation and work authorization under a new deferred action program, provided they have lived in the U.S. for five years, pass background checks and pay taxes. Proposed changes to the Deferred Action for Childhood Arrivals (DACA) program – which has been in place since 2012 – would expand the immediately eligible population by 290,000.

The President's executive order could affect as many as an estimated 743,000 undocumented immigrants in Texas, over half of the state's 1.46 million undocumented immigrants. It could also affect as many as 38,000 undocumented immigrants in Oklahoma and 34,000 undocumented immigrants in New Mexico. These individuals will not qualify for citizenship and the executive order expires at the end of President Obama's term, unless it is continued by his successor or Congress passes comprehensive immigration reform legislation that encompasses the order.

While the executive order did not single out farm workers for deportation protection, they could qualify if they meet the criteria laid out by the President. According to *USA Today*, about 250,000 farm workers could be eligible.

Republican leaders in Congress have threatened to block implementation of the executive order, and Republican lawmakers at the federal and state levels are considering legal challenges.

TCFA will continue to engage with Congress to enact meaningful, comprehensive immigration reform legislation that both strengthens border security and creates a non-seasonal, temporary, agricultural worker program that does not extend preferential treatment with regard to citizenship or legal permanent resident status.

TCFA Comments on Potential Changes to the Beef Grading Standards

TCFA submitted comments last week in response to a USDA Agricultural Marketing Service (AMS) notice soliciting comments on potential changes to the beef yield grade standard and equation and the methodology for determining cattle maturity. A working group, comprised of members of the TCFA Market Committee, worked with staff and meat scientists to draft the comments, excerpts of which are below:

"As noted in the *Federal Register* notice, the beef yield grade standard and equation were developed 50 years ago and do not adequately reflect changes in cattle genetics and production practices that have occurred since and resulted in an almost two-fold increase in average carcass weights. TCFA agrees with this assessment and the supporting research that exposes an inherent bias in the system that skews carcass values. However, additional research and discussion are needed before changes to the yield grade standard are proposed through the official rulemaking process.

In addition, average carcass weights, tenderness, palatability and overall eating experience of grain-fed beef and grass-fed beef are vastly different. To avoid consumer confusion and potential market implications, TCFA believes that it is inappropriate to use the same yield grade standard and quality grade terms/labels for the two production methods.

TCFA also agrees that the methodology for determining maturity is flawed and should be reevaluated in light of scientific studies showing that higher estrogen levels cause ossification in heifers earlier than in steers, with no

correlated difference in beef tenderness or taste. AMS should work with stakeholders to explore alternatives to determining maturity, including dentition and age-and-source verification. However, additional scientific and economic studies are needed before any changes are officially proposed.”

TCFA will continue to coordinate with NCBA as we work with AMS to research and discuss potential changes. View TCFA’s comments at <http://tinyurl.com/comments-carcass-grades>.

Meat Labeling Rules May Change

Country of Origin Labeling (COOL) rules that force retailers and meatpackers to identify where animals were born, raised and harvested may change. U.S. Secretary of Agriculture Tom Vilsack for the first time has implied that the rules are not compliant with World Trade Organization (WTO) standards and must be fixed.

“We’ve done a 360-degree look and I can tell you that we do not think there’s a regulatory fix that would allow us to be consistent with the law, which I’ve sworn to uphold, and to satisfy the WTO,” Vilsack said.

Canada and Mexico have challenged the legality of the rules at the WTO, saying the labels make their stocks less appealing to U.S. meatpackers, which have to separate and label meat not raised in the U.S. The WTO ruled against the U.S. rules in October saying the COOL rules were a “technical barrier” to trade and discriminate against meat imports. Mexico and Canada have threatened trade sanctions on U.S. products in retaliation.

The U.S. could still appeal the WTO’s decision, and U.S. negotiators could still come to an agreement around the rules with Mexico and Canada. Alternatively, Congress could change the rules. According to Vilsack, Congress could “give us different directions that would allow us to comport with the WTO ruling to prevent whatever potential retaliation may occur.”

Area Legislators Chosen for Congressional Leadership Positions

The House Republican Steering Committee recommended six Texas lawmakers to serve as committee chairs in the 114th Congress:

- Agriculture – Rep. Mike Conaway (R-Midland, Texas)
- Armed Services – Rep. Mac Thornberry (R-Clarendon, Texas)
- Financial Services – Rep. Jeb Hensarling (R-Dallas, Texas)
- Homeland Security – Rep. Michael McCaul (R-Austin, Texas)
- Science, Space, and Technology – Rep. Lamar Smith (R-San Antonio, Texas)
- Rules – Rep. Pete Sessions (R-Dallas, Texas)

Four other area Representatives were appointed to chair powerful Appropriations Subcommittees:

- Commerce, Justice, and Science – Rep. John Culberson (R-Houston, Texas)
- Homeland Security – Rep. John Carter (R-Round Rock, Texas)
- Labor, Health and Human Services, Education – Rep. Tom Cole (R-Moore, Okla.)
- State, Foreign Operations – Rep. Kay Granger (R-Ft. Worth, Texas)

In addition, Rep. Ben Ray Lujan (D-Santa Fe, N.M.) was selected to serve in Democratic leadership as the head of the Democratic Congressional Campaign Committee.

On the Senate side, U.S. Sen. John Cornyn (R-San Antonio, Texas) was elected by his Republican colleagues to serve as Majority Whip and Deputy Majority Leader. Committee chairs will be elected in January, but Sen. Jim Inhofe (R-Tulsa, Okla.) is expected to take the helm of the Environment and Public Works Committee, and Sen. Pat Roberts (R-Garden City, Kan.) is expected to lead the Agriculture Committee.

Ag Coalition Pushes Congress to Act on Tax Extenders

American agriculturalists and organizations are urging the lame duck Congress to make decisions on expired tax policies before the year ends. With tax laws largely affecting agricultural businesses, knowing if a decision is going to be made is imperative to their planning purposes.

Section 179 is one of the expired policies in question that farmers and ranchers are encouraging Congress to act on. In 2013, the maximum amount a small business could deduct was \$500,000; the current deduction is only a mere fraction of that at \$25,000. The policy allowing 50 percent bonus depreciation in purchasing items such as farm equipment and machinery has also expired, making it extremely difficult for farmers and ranchers to plan for the upcoming year of business.

“Producers rely on stable and predictable tax code in order to plan purchases, make investments and grow their business,” said NCBA President Bob McCan.

Many of the purchases made to run agricultural businesses are large investments of machinery and assets that depreciate. In order for cattlemen and women to expand their businesses and the economies of rural America, these tax provisions must be clearly outlined and put in place.

To view the letter submitted by ag groups, go to <http://tinyurl.com/ag-coalition>. To read the entire article, visit <http://tinyurl.com/tax-action>.

EPA to Backpedal on Ethanol Decision

“EPA is expected to announce an about-face today in its long-delayed, politically charged effort to mandate how many gallons of biofuels the nation’s gasoline and diesel refiners must use this year,” Pro Energy’s Erica Martinson reports in *Politico*.

“The result may be that the agency will issue no mandate at all this year – a possibility that came as a shock to both supporters and critics of the ethanol program, who earlier this year expected a decision to come in time to sway the midterm elections in corn-heavy states like Iowa. But a decision not to decide would offer some relief to ethanol producers, who were stung a year ago when EPA proposed that this year’s mandate would be less than 2013’s.”

The expected announcement “comes as a 90-day deadline is expiring for the White House Office of Management and Budget to study a proposed final rule that EPA submitted in August. Sources say the White House wants to make some kind of move as the clock runs out, but it was unclear whether EPA will formally withdraw that rule.”

Beef Represented at Food for Tomorrow Conference

The U.S. Farmers and Ranchers Alliance (USFRA), with funding from the Beef Checkoff program, sponsored a panel of producers on the topic of "Big Ag, Big Food: How being good for the Environment is not about Size" at the first ever *New York Times* Food for Tomorrow conference in Pocantico Hills, N.Y.

With many critics of conventional agriculture and beef in the room, such as Mark Bittman, Michael Pollan, Sam Kass and Tom Colicchio, as well as other celebrity columnists, activists, media influencers and chefs, USFRA knew the voice of farmers and ranchers had to be present.

The producer panel was moderated by Frank Sesno, director of George Washington University School of Media and Public Affairs and former CNN Washington, D.C., bureau chief. Panel members included Joan Ruskamp, a cattle feeder, blogger, Beef Board member and Taste Subcommittee member from Dodge, NE; Julie Maschhoff, a pig farmer and vice president of public policy and public relations for The Maschhoffs in Carlyle, IN; and Bruce Rominger, a farmer from Winters, CA.

Ruskamp had one of the most powerful moments of the meeting, when she pleaded with the audience to allow farmers to be part of the conversation, to which she received a round of applause. She said, “We want to feed you. We don’t want hungry kids either. That is a passion for us, too. We want to be part of the conversation you all are having about this. Please let us be involved in your conversation about our food for tomorrow!”

Additionally, Seth Watkins, a farmer feeder from Iowa, who is very involved with Iowa Beef Council, Iowa Cattlemen and Iowa Team Beef, was part of the last panel discussing "Who Will Farm and How?" He shared his thoughts on the challenges facing farmers today and how he is helping to sustainably raise food for future generations.

Not only were farmer and rancher voices represented at this very influential event, but the beef story was brought to life by Ruskamp and Watkins' participation in this event. Both were willing to engage in a conversation and helped positively impact opinions of key influencers about how beef is raised and the people who raise it.

Environmental Groups Criticize GRSB’s Sustainability Principles

The Global Roundtable on Sustainable Beef’s (GRSB) recently approved sustainability principles and criteria for beef production are being criticized by a group of 23 consumer, animal welfare, public health and environmental organizations.

In a letter to GRSB’s executive committee, the group said, “Unless the GRSB addresses the fundamental flaws outlined in our letter, the document will represent nothing more than an industry-led attempt to greenwash conventional beef production at a time when real, measurable and verifiable change is so desperately needed.”

According to the complaint, GRSB’s criteria lack specific measurable performance standards, guidelines and verification methods; the criteria fail to address the non-therapeutic use of antibiotics in livestock; the Roundtable does not address what the opposing organizations say are the “key, inherent environmental problems associated with confinement beef production,” and the published criteria do not “establish meaningful standards for workers’ rights, animal welfare or environmental performance.”

In response, Ruairaidh Petre, executive director of the GRSB, released a statement that said, in part:

“[The letter] demonstrates a fundamental misunderstanding not only of the global beef production system, but the committed and diligent work of Global Roundtable for Sustainable Beef member organizations and individuals.

... The command and control approach proffered by [the activist groups] is an attempt to force change through mandates or standardized 'one-size-fits-all' production systems that would lead to counterproductive outcomes at best.

"As a roundtable, we invite the participation of any individual or organization committed to a sustainable future for the global beef value chain and our planet, from ranchers, to consumers and NGOs. ... World Wildlife Fund, Solidaridad, the Rainforest Alliance, the National Wildlife Federation, Earth Innovation Institute and the Savory Institute ... have joined a collaborative effort to drive positive change on behalf of the planet, people, animals and progress. We are confident that our efforts will lead to a more sustainable future for us all."

Oklahoma EQIP Program Deadline Announced

According to USDA-NRCS State Conservationist for Oklahoma, Gary O'Neill, applications for 2015 need to be turned in to local NRCS offices by Jan. 16, 2015. The Environmental Quality Incentives Program (EQIP) is a conservation program as a part of the Farm Bill that is administered by the USDA-NRCS that is designed to financially help producers implement conservational practices and meet environmental regulations.

The program is available to producers and landowners engaged in livestock, agricultural or forest production that have a natural resource concern to be addressed. Contact your local NRCS office for more information.

Football Player Trades NFL Career for a Tractor

NFL star Jason Brown left a \$37 million contract as a center for the St. Louis Rams for a life behind the wheel of a tractor. Educated by YouTube videos and fellow North Carolina farmers, Brown has begun his non-traditional farming career starting out with crops such as sweet potatoes and cucumbers.

Brown has named his business, "First Fruits Farm." His plan is to donate the first fruits of each crop to food pantries, and he is working to solve hunger needs in North Carolina. His first donation of five acres equated to 100,000 pounds of sweet potatoes. He says of his newfound career, "When I think about a life of greatness, I think about a life of service."

TCFA Offices Closed for Thanksgiving

TCFA will be closed Thursday, Nov. 28 and Friday, Nov. 29 for Thanksgiving. Join us as we pause to celebrate the many blessings in our lives and the many opportunities still ahead. There will be no *Newsletter* next week. The Market Report will be sent out on Monday.

2015 Cattle Feeders Resource Guide – Deadline Extended

The deadline for advertising in TCFA's 2015 *Cattle Feeders Resource Guide* has been extended to Friday, **Dec. 5**. The revamped publication better serves TCFA supporting sponsors, while TCFA members also benefit from receiving more timely product and service recommendations from allied industry partners.

Advertisers who purchase a full-page, four-color ad in the *Cattle Feeders Resource Guide* receive a free bonus web ad on TCFA's website, www.tcfa.org, a great opportunity to target potential buyers more precisely with ads that may reflect seasonal or market-focused messages.

Again, the deadline to advertise is **Dec. 5**. View the rate card at <http://tinyurl.com/2015ratecard>, or contact Scena Snider for more details at (806) 358-3681 or scena@tcfa.org.

Feeders and Feedyards in the News

Johnny Trotter, past TCFA Board member, owner of Bar-G Feedyard and AQHA President, is a 2015 Texas Cowboy Hall of Fame inductee, the highest honor given to individuals who have shown excellence in competition, business and support of rodeo and western lifestyle in Texas. See previous years' inductees at <http://tinyurl.com/tx-cowboys-halloffame>.

Minnie Lou Bradley of Bradley 3 Ranch in Childress was named the 2014 Saddle & Sirloin Portrait Gallery inductee, an honor bestowed to individuals based on service to and impact on the livestock industry. The portrait gallery is the livestock industry's hall of fame and is housed at the Kentucky Exposition Center. The portrait presentation took place this week at the 41st annual North American International Livestock Exposition.

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