



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

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Congressional Committees Approve Trade Promotion Authority

Earlier this week, the U.S. Senate Committee on Finance and the House Committee on Ways and Means passed Trade Promotion Authority (TPA) legislation to streamline passage of global trade deals through Congress. The measure establishes parameters under which the Administration must negotiate free trade agreements and eliminates the ability of Congress to amend the agreements, providing the Members with a simple up-or-down vote on the entire measure. Trade Promotion Authority will allow U.S. trade negotiators to craft the best deal possible for U.S. goods while providing our trading partners with the assurance that once a deal has been reached it will not be changed by Congress. The bills are expected to be considered by the full Senate and House in the coming weeks. Passage of TPA would likely kick-start negotiations on the Trans-Pacific Partnership trade agreement and its eventual consideration by Congress.

House Agriculture Subcommittee Reviews Livestock Mandatory Price Reporting Act

The Livestock and Foreign Agriculture Subcommittee of the U.S. House Agriculture Committee held a public hearing on Wednesday to review the reauthorization of the Livestock Mandatory Price Reporting Act. First enacted in 1999, the Livestock Mandatory Price Reporting Act was developed in response to changing markets with an increasing number of animals being sold via marketing arrangements under which prices were not publicly disclosed. As these structural changes continued, livestock producers requested that the voluntary price reporting mechanism be made mandatory. The resulting Act mandates price reporting for live cattle, boxed beef, live swine, pork cuts and lamb sales. The current 5-year authorization expires on September 30, 2015.

"Today's hearing allows us to start the legislative process of reauthorization by hearing from industry and stakeholders on the challenges they are facing," Subcommittee Chairman David Rouzer (R-N.C.) said. "It is vital to have industry groups work together to find the best solution. As the committee works on reauthorizing the Livestock Mandatory Reporting Act, it is the goal and intent of our committee to bring all parties together and strike a balance that promotes fairness, transparency, and stability in the market. No one knows how to make this process work better than those directly involved, and I appreciate their willingness to work together and with the committee to make this happen."

Agriculture Committee Chairman K. Michael Conaway (R-Texas) said, "I appreciate representatives from the livestock and packer segments of the industry laying the important groundwork as the Agriculture Committee begins drafting reauthorization language. We will take into account the concerns of farmers and ranchers, packers, and industry affiliates, and hope to find common ground that will benefit producers, consumers, and the overall economy."

Subcommittee on Livestock and Foreign Agriculture public hearing witnesses are:

- Mr. Mark Dopp, Senior Vice President, Regulatory Affairs and Scientific Affairs/General Counsel, North American Meat Institute, Washington, D.C.
- Mr. James R. Heimerl, Heimerl Farms Ltd, Johnstown, Ohio
- Mr. Burton Pfliger, President, American Sheep Industry Association, Centennial, Colo.
- Mr. Ed Greiman, Chairman, Cattle Marketing and International Trade Committee, National Cattlemen's Beef Association, Garner, Iowa
- Dr. Craig Morris, Deputy Administrator, Livestock Poultry and Seed Program, Agricultural Marketing Service, USDA, Washington, D.C.

For more information, including Chairman Rouzer's opening statement, the archived webcast and the written testimony by the witnesses from the hearing, visit <http://tinyurl.com/Livestock-Mandatory-Report>.

House Agriculture Subcommittee Reviews U.S. Grain Standards Act

The General Farm Commodities and Risk Management Subcommittee of the U.S. House Agriculture Committee held a public hearing to review the reauthorization of the U.S. Grain Standards Act earlier this week. The U.S. Grain Standards Act, which was first passed in 1916, authorizes the Grain Inspection, Packers and Stockyards Administration to establish official marketing standards for grains and oilseeds, and requires that exported grains and oilseeds be officially weighed and inspected. It also establishes rules for the voluntary inspection of domestic grain.

“Reauthorization of the U.S. Grain Standards Act will ensure an accurate, reliable, consistently available, and cost-effective grain inspection and weighing system,” Subcommittee Chairman Rick Crawford (R-Ark.) said. “Our farmers and the companies that purchase their grain and oilseeds depend on these standards for grades and weights to remain competitive in the world market.”

Agriculture Committee Chairman K. Michael Conaway (R-Texas) said, “I appreciate representatives from industry sharing their thoughts on how the current law could be improved. With 95 percent of the world’s consumers living outside of the United States, we must maintain and strengthen the marketing infrastructure that allows our grain exporters to remain competitive in the global marketplace. I look forward to moving legislation.”

General Farm Commodities and Risk Management Subcommittee public hearing witnesses are:

- Mr. David Winkles, President, South Carolina Farm Bureau Federation, Columbia, S.C.
- Mr. J. David Cox, Sr., National President, American Federation of Government Employees, Washington, D.C.
- Mr. Nick Friant, Chairman, NGFA Grain Grades and Weights Committee, and Co-Chair, NEAGA Grain Grades and Inspections Committee, on behalf of the National Grain and Feed Association and the North American Export Grain Association, Wayzata, Minn.

For more information, including Chairman Crawford's opening statement, the archived webcast and written testimonies provided by the witnesses from the hearing, visit <http://tinyurl.com/Grain-Standards-Act>.

Clean Water Act (WOTUS)

The House Appropriations Committee approved the fiscal year 2016 Energy and Water Development and Related Agencies Appropriations bill, on Wednesday, April 22. According to Agri-Pulse, a provision in this bill prevents implementation of the revised Clean Water Act rule, which redefines Water of the United States (WOTUS), until at least fall of 2016. This bill will now go to the house floor for consideration. To view the House Appropriations Committee press release, visit <http://tinyurl.com/Clean-Water-Act-Revised>.

#BeefsOnMyPlate Campaign Gaining Ground

In an effort to spread the message that beef is part of a healthy diet, NCBA earlier this month launched a Twitter campaign dubbed #BeefsOnMyPlate. The effort is a grassroots approach to let Ag Secretary Tom Vilsack and Health and Human Services Secretary Sylvia Burwell know that the Dietary Guidelines Advisory Committee made a mistake when it excluded lean beef from its dietary recommendations.

Please continue to support the Twitter campaign by posting pictures of beef dishes and your thoughts on beef’s role in the diet using the #BeefsOnMyPlate. Be sure to include @secburwell and @usda in your tweets. Emphasizing how beef fits into a variety of healthy and calorie-conscious diets can show the secretaries that lean beef needs to be more than just a footnote in the guidelines. Follow the #BeefsOnMyPlate campaign and see how people are incorporating beef into a healthy diet by visiting <http://tinyurl.com/Beef-on-my-plate-campaign>.

While the Twitter campaign applies a different form of engagement in the discussion about beef’s role in the diet, it does not replace official comments submitted on the Dietary Guidelines Advisory Committee’s recommendations. So even if you tweeted the secretaries, submit your comments today urging them to reinstate the 2010 Dietary Guidelines recommendations on lean meat. The deadline to submit comments is Friday, May 8, less than two weeks away. It is critical that your voice is heard, as the official comments are what will be considered as the secretaries finalize the guidelines before the end of the year.

Please go to www.tcfa.org and click on the Dietary Guidelines banner at the top of the page. There you will find talking points and drafted comments to use at your discretion. The last day to submit comments is Friday, May 8. To view the Dietary Guidelines Advisory Committee’s full report, go to <http://tinyurl.com/dgac-report>.

USDA Announces Partnerships with Producers to Address Climate Change

The USDA is partnering with U.S. farmers and ranchers in an incentive-based program to combat climate change. The new initiatives will address conservation, forestry and energy programs targeted at lowering emissions. USDA says these programs are meant to help producers increase productivity and efficiency.

“American farmers and ranchers are leaders when it comes to reducing carbon emissions and improving efficiency in their operations. That’s why U.S. agricultural emissions are lower than the global average,” said Vilsack. “We can build on this success in a way that combats climate change and strengthens the American agriculture economy. Through incentive-based initiatives, we can partner with producers to significantly reduce carbon emissions while improving yields, increasing farm operation’s energy efficiency, and helping farmers and ranchers earn revenue from clean energy production.”

To read more about specifics of the new initiative, visit <http://tinyurl.com/USDA-Climate-Change>.

Resetting of Price Limits for Grain and Oilseed Futures

The Board of Trade of the City of Chicago, Inc. (CBOT) is resetting limits for grain and oilseed futures according to the variable price limits mechanism implemented in May 2014. This is the first reset in 2015. The new limits begin effective for trade on Friday, May 1. Corn’s initial price limit is rising from \$0.25 per bushel to \$0.30 per bushel with the new expanded price limit at \$0.45 per bushel. For more details and to view new price limits of other commodities, visit <http://tinyurl.com/Resetting-Price-Limits>.

HPWD Measurements Show Decline

Annual water level measurements indicate an average decline of 0.56 of a foot in groundwater levels of the Ogallala Aquifer within the 16-county High Plains Water Conservation District No. 1 (HPWD) service area from 2014 to 2015. Water level measurements are made from December to March each year in 1,418 privately-owned wells in the district’s observation well network. The winter measurements allow time for water levels in the aquifer to stabilize following the previous year’s groundwater production. The 10-year average change (2005-2015) showed a drop of 10.27 feet while the five-year average change showed a decline of 5.69 feet.

“We are supplementing the district’s water level observation program by establishing a water level observation network for wells completed in the Dockum Aquifer,” said HPWD General Manger Jason Coleman. (Read more about the Dockum Aquifer below.) “Although not included in the published report, we do expect these data to be available on the PPWD website in the near future.”

Results of the 2015 HPWD water level measurements are presented in a 76-page report available for online viewing/downloading at <http://tinyurl.com/HPWD-2015-Water-Report>. To read the full news release, go to <http://tinyurl.com/HPWD-2015-NewsRelease-Decline>.

HPWD Approves Dockum Aquifer Study

The Board of Directors of the High Plains Water District (HPWD) approved a study designed to gain a better understanding of the Dockum Aquifer. “In some areas of the district, Dockum wells provide water for irrigation, livestock, municipalities and oilfield production. It is hoped that this study will provide a better understanding of the aquifer—including water quality and quantity,” said HPWD Board President Lynn Tate of Amarillo.

The Dockum Aquifer is found deep below the Ogallala Aquifer throughout the 16-county HPWD service area. Dockum water wells are frequently drilled to depths of 900 feet or more in Deaf Smith County, where most of the current exploration occurs.

According to several published studies, total dissolved solids (TDS) in the Dockum likely exceed 5,000 milligrams per liter (mg/l) across most of the district. However, water quality in some areas of Deaf Smith, Randall and Swisher Counties is less than this, and is suitable for municipal water supply.

“For years, there have been many unknowns about the Dockum Aquifer. It is the Board of Directors’ hope that this study will shed new light on this secondary groundwater resource,” Tate said.

To find more information about the study or to read the full news release, go to <http://tinyurl.com/HPWD-2015-Dockum-Study>.

Strong Momentum for U.S. Meat in Guatemala

Tariff reductions in the U.S.-Central American Free Trade Agreement (CAFTA) have led to gradual increases in U.S. beef exports to Guatemala. 2014 marked a new record year for beef exports to Guatemala, hitting \$25 million in value. Since CAFTA began in 2006, tariffs have been gradually lowered and this year, the tariff on Select or lower cuts has been reduced to 4 percent and is expected to be eliminated by 2020.

Brazilian Steakhouse Chain to go Public

Earlier this week, Dallas-based Brazilian steakhouse chain Fogo de Chao filed plans for a public offering with the Securities and Exchange Commission. According to the filing, the move will raise \$75 million in listed shares on the NASDAQ under the ticker FOGO.

Currently, private-equity owner Thomas H. Lee Partners holds 96% of the restaurant chain, according to the company. The chain operates 26 restaurants in the United States and Puerto Rico and nine in Brazil. In the last fiscal year, the steakhouse chain grew 2.9 percent in the U.S. and 9 percent in Brazil.

To read the full article, visit <http://tinyurl.com/brazilian-chain-goes-public>.

2015 TCFA Feedyard Camp Deadline Quickly Approaching!

TCFA's Feedyard Camp will be June 29-July 1 at West Texas A&M University in Canyon. This three-day extensive program is open to incoming high school juniors and seniors who are interested in a career in the fed beef industry. Applications are online at <http://tinyurl.com/fy-camp> and must be returned to TCFA by Friday, May 1. The registration fee is \$100, which covers all costs except travel to and from Canyon.

Contact Jason Slane at jason@tcfa.org or Jayce Winters at jayce@tcfa.org with questions.

2015 TCFA Safety Award Contest

Be sure to submit your ideas for the 2015 TCFA Safety Award Contest. The employee(s) with the winning idea will receive \$1,000, a jacket and a recognition luncheon at the feedyard for all employees. The submitting feedyard will also receive a plaque. Second place will receive \$500, a jacket, a recognition luncheon for the feedyard and a plaque. Third place will be awarded \$250, a jacket and a plaque.

The idea does not have to be originally created by the employee; it just has to be discovered and implemented by the feedyard. View the English Safety Award flyer at <http://tinyurl.com/sa-flyer-english> and the Spanish version at <http://tinyurl.com/safety-awards-spanish> for details. Make sure to submit your Best Safety Practices applications, which can be found at <http://tinyurl.com/2015-sa-app>, by the Friday, May 29 deadline.

Grain Grading Workshop

Texas A&M AgriLife Extension Service will hold two one-day workshops at the Texas A&M AgriLife Research and Extension Center in Amarillo that will focus on grain grading, grain grading standards, proper sampling techniques and how to identify different types of damage. Participants can choose to attend the workshop on either May 5 or May 6, as they are identical programs. The workshops, which are co-sponsored by TCFA, Texas A&M AgriLife Extension Service and Panhandle Grain and Feed Association, will run from 9:00 a.m. to 4:30 p.m. and can count toward the TCFA BQA training for feedmill/feed department employees. The cost of the workshop is \$75 per participant. Pre-registration is required. View the brochure at <http://tinyurl.com/2015-grain-grading-brochure>.

Celebrating Earth Day

April 22 marked the 45th anniversary of Earth Day, but as the cliché goes, every day is Earth Day for cattle producers. The incredible efficiency of American agriculture allows just 2% of the population to feed the rest, and the average American spends less than 9% of their disposable income on food. However, the global population is expected to grow from the current 7 billion people to 9 billion by 2050, meaning food production will need to double in the next 40 years, according to the UN Food and Agriculture Organization.

According to Nevada Cattlemen's Association President Ron Torell, American agriculture's ability to meet these demands is not hindered by science, but rather outside groups working to limit agriculture's effectiveness and efficiency. Read the full article at <http://goo.gl/nXOHqU>.

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