



TEXAS CATTLE FEEDERS ASSOCIATION

NEWSLETTER

5501 I-40 W. • AMARILLO, TEXAS • PHONE (806) 358-3681 • www.tcfa.org • info@tcfa.org

Volume 51, Number 22

June 2, 2017

U.S. and China Come to Agreement on Beef Export Terms

United States Department of Agriculture (USDA) Deputy Undersecretary for Farm and Foreign Agriculture Services Jason Hafemeister told attendees at the U.S. Meat Export Federation Conference there are a number of aspects of the agreement between the United States and China that have been negotiated in order to open China's market to U.S. beef.

In an interview with *Meatingplace*, Hafemeister outlined further details. He said that China will accept U.S. fresh, chilled beef products as well as frozen. They will also accept bone-in cuts, boneless cuts and ground beef products as well as some offals such as heart, liver and tendons.

Hafemeister said that while China does not allow hormone use in cattle domestically, for imported beef, testing for residues will be done upon entry, and there will be a distinction made between synthetic and naturally occurring hormones. Beef with traces of synthetic hormones will be rejected.

He went on to say that China has agreed to a "bookend" approach when it comes to traceability, meaning that only the animal's birth farm and slaughter plant must be maintained. Producers who want their cattle to be eligible will need to sign up for certification with any of the third-party certification programs listed on USDA's website.

China will also accept beef from animals 30 months or younger, he said. And, China has agreed to recognize the equivalency of USDA's Food Safety and Inspection Service regarding plant eligibility to export, meaning federally inspected plants will be approved for export and will not have to be inspected separately by the Chinese. To learn more, visit <http://tinyurl.com/China-Exports>.

Jury Selection Begins in Lean Finely Textured Beef Case

Jury selection started Wednesday in a defamation case over ABC news reports on lean, finely textured beef, according to the *Associated Press*.

In 2012, Dakota Dunes-based Beef Products Inc. (BPI) sued the network, stating that ABC's coverage misled consumers into believing the product is unsafe and eventually led to the closure of three plants and termination of 700 employees. ABC's attorneys have argued that in each of its broadcasts, the network stated that the U.S. Department of Agriculture said the product was safe to eat.

According to the report, BPI must show that ABC made defamatory implications or statements, and that they either knew the statements were false or acted with reckless disregard for the truth. The company must also prove that ABC hurt BPI.

"We look forward to the opportunity to present our case and establish for the jury that BPI has suffered significant financial harm because of the wrongful conduct by ABC," Dan Webb, BPI attorney, said in a statement.

BPI is seeking up to \$1.9 billion in damages as well as "treble" damages, or triple the amount under South Dakota's Agricultural Food Products Disparagement Act and punitive damages. To read more, visit <http://tinyurl.com/SD-Beef-Trial>.

Texas Legislature Adjourns Sine Die

The Regular Session of the 85th Texas Legislature adjourned Monday, May 29. The 140-day session, which began on January 10, 2017, included extensive debate on a wide range of issues including budget, agriculture liens, property tax reform, eminent domain reform, transportation, water, environment, education, sanctuary cities and transgender bathrooms. Gov. Greg Abbott has until June 18 to sign or veto bills.

TCFA and other Texas agriculture and landowner groups were successful in blocking and/or amending several bills that would have been harmful to Texas agriculture. Unfortunately, the eminent domain reform bills and the feed and care lien bill failed to pass. However, TCFA and the other groups were successful in passing several beneficial bills. Below are some of the bills that passed and have been sent to the Governor:

- **General Appropriations (SB 1)** – Sponsored by Sen. Jane Nelson (R-Flower Mound) and Rep. John Zerwas (R-Richmond), the \$216.75 billion biennial budget bill provides \$7.16 million in increased funding for the Texas Animal Health Commission (TAHC) to address fever ticks, maintains funding for Texas A&M service agencies, authorizes the construction of a new Texas A&M Veterinary Medical Diagnostic Laboratory in Canyon by refinancing debt for the College Station lab, and provides \$4.1 million for the establishment of a Texas Tech University veterinary school in Amarillo.
- **Supplemental Appropriations (HB 2)** – Sponsored by Rep. John Zerwas (R-Richmond) and Sen. Jane Nelson (R-Flower Mound), the supplemental appropriations funds unbudgeted needs during the current biennium. Included in the bill was additional funding for the TAHC to support efforts to combat the spread of fever ticks.
- **Sanctuary Cities (SB 4)** – Sponsored by Sen. Charles Perry (R-Lubbock) and Rep. Charlie Geren (R-Fort Worth), the bill allows police to inquire about the immigration status of people they lawfully detain. It also bans “sanctuary” jurisdictions by making sheriffs, constables, police chiefs and other local leaders subject to Class A misdemeanor charges if they don’t cooperate with federal authorities and honor requests from immigration agents to hold noncitizen inmates who are subject to deportation. The bill was signed by Gov. Abbott and will take effect Sept. 1.
- **Career and Technical Education (HB 136)** – Sponsored by Rep. Cecil Bell (R-Magnolia) and Sen. Carlos Uresti (D-San Antonio), the bill adds career and technology education in the mission of public education.
- **Texas Board of Veterinary Examiners Sunset (SB 319)** – Sponsored by Sen. Kirk Watson (D-Austin) and Rep. Richard Raymond (D-Laredo), the bill extends authorization for the board through Sept. 1, 2021, places the board back under sunset review, and changes the membership of the board to require a livestock/large animal veterinarian, a shelter veterinarian and a veterinary technician. TCFA and the other livestock groups were successful in removing a provision from the bill that would have required veterinarians to submit prescription information into the prescription monitoring program.
- **Drones/Critical Infrastructure (HB 1643)** – Sponsored by Rep. Drew Springer (R-Muenster) and Sen. Kel Seliger (R-Amarillo), the bill adds CAFOs to the list of critical infrastructure facilities and makes it a criminal offense to intentionally or knowingly operate an unmanned aircraft over a feedyard, dairy or other CAFO without the owner’s written consent, unless the unmanned aircraft is operated by a governmental entity or a commercial operator authorized by the Federal Aviation Administration.
- **Killing Livestock and Brand Inspection (HB 2817)** – Sponsored by Rep. Mary Gonzalez (D-Clint) and Sen. Charles Perry (R-Lubbock), the bill increases the criminal penalty for intentionally killing livestock to the same as stealing livestock, a minimum third-degree felony. The bill also includes a provision authorizing the Texas Department of Agriculture to establish an identical, state brand inspection program through TSCRA if the federal program is ever discontinued.
- **TCFA 50th Anniversary (HCR 144)** – Sponsored by Rep. John Smithee (R-Amarillo) and Sen. Kel Seliger (R-Amarillo), the resolution, which has been signed by Gov. Abbott, recognizes TCFA’s 50th Anniversary and the impact that TCFA members have on the Texas economy.

It is not out of the question that Gov. Abbott will call a special session of the Legislature later this year to address a number of unresolved issues including property tax reform, school finance, school vouchers and transgender bathrooms. TCFA staff will remain engaged and provide updates on relevant developments.

USTR Requests Comments on NAFTA

The U.S. Trade Representative is requesting comments on negotiating objectives for modernizing the North American Free Trade Agreement, or NAFTA. Written comments are due by June 12.

USTR is seeking input on a number of areas including product-specific import or export interests or barriers; economic costs and benefits to U.S. producers and consumers of removing tariffs or non-tariff barriers; customs issues; appropriate modifications to rules of origin; any unwarranted sanitary and phytosanitary measures; barriers to trade in services; and digital trade and investment issues.

TCFA, NCBA and other beef industry groups have called on the Trump Administration to preserve those NAFTA provisions that have greatly benefited beef producers.

“The current NAFTA agreement has been a huge success for U.S. beef, cattle and other agriculture products,” said Jim Lovell, TCFA chairman. “NAFTA has significantly added value to our industry, and we urge the Administration to not renegotiate the terms of the agreement that are already working.” To read the notice in the federal register, visit <http://tinyurl.com/TCFA-USTR-NAFTA>.

TAHC Opens Comments on Trichomoniasis Testing and Cattle Entry Requirements

The Texas Animal Health Commission (TAHC) is accepting public comments on proposed amendments concerning trichomoniasis tests and cattle entry requirements.

Rule amendments were proposed at the TAHC meeting May 9 and include adding an additional test to approved trichomoniasis tests; new testing requirements for bulls entering the state; and would prohibit the entry of female cattle that originated from a known trichomoniasis positive herd, or were exposed to a trichomoniasis positive bull.

The deadline for comments is June 26, 2017. For more information, visit <http://tinyurl.com/TAHC-TRICH>.

Maryland Becomes Second State to Ban Antibiotic Use

The Maryland State Legislature passed a law banning the routine use of antibiotics on farms and ranches this week. Maryland is the second state behind California to issue a ban. The law, which goes into effect Jan. 1, 2018, prohibits specified antimicrobial drugs from being administered to cattle, swine and poultry that are not sick.

It also requires the Maryland Department of Agriculture to publicly collect data on the use of specific antimicrobial drugs in the state each year.

Current U.S. Food and Drug Administration guidelines prohibit the use of antibiotics for growth promotion in animals. The new laws in both Maryland and California go beyond that.

Meat Groups Oppose PRIME Act

U.S. Reps. Thomas Massie (R-Ky.) and Chellie Pingree (D-Maine) and Sens. Angus King (I-Maine) and Rand Paul (R-Ky.) introduced the Processing Revival and Intrastate Meat Exemption or the PRIME Act in Congress. The authors claim the purpose of the bill is to make it easier for local businesses to provide meat for customers by allowing states to develop their own meat inspection regulations for meat produced and sold in state.

Under current law, only meat that is slaughtered for personal, household, guest or employee use is exempt from federal inspection regulations. All other animals for slaughter must be sent to a state or USDA inspected slaughterhouse.

SAVE THE DATE for TCFA's 50th Anniversary Convention

Mark your calendars for TCFA's 50th Anniversary Convention October 8-10 at the Embassy Suites Downtown Amarillo. The speaker lineup includes *Lone Survivor* author, Marcus Luttrell; generational/millennial expert, Jason Dorsey; and agricultural economist and global futurist, Dr. Lowell Catlett. The Cattle Feeders Get Together will feature live entertainment from 80s cover band The Spazmatics. Make plans to join us in Amarillo for this special event.

TVMDL to Host Seminar on BRD July 8; Early Registration Closes June 9

The Texas A&M Veterinary Medical Diagnostic Laboratory (TVMDL) will host a seminar on the recent advances in understanding the Bovine Respiratory Disease Complex (BRD) Saturday, July 8, at the Texas A&M AgriLife Research and Extension Center in Amarillo. The early bird registration price is \$75 and runs through June 9.

"BRD is a complex and constant challenge to the livestock industry," said Dr. Gayman Helman, TVMDL. "The syndrome is the leading cause of sickness and death for cattle and calves in the U.S. This year's seminar will focus on new information on prevention research, pathogens and treatment protocols."

The seminar will offer attendees seven continuing education credits while also hearing the latest information on the disease. To register, visit <http://tinyurl.com/AgriLife-Register>. Find a complete conference agenda and registration flyer at <http://tinyurl.com/TVMDL-2017>.

Texas A&M Beef Cattle Short Course Set for August 7-9

The 63rd Texas A&M Beef Cattle Short Course is scheduled to take place Aug. 7-9 at Texas A&M University in College Station. The short course is the largest beef cattle educational event in the country and attracts more than 1,600 beef cattle producers from Texas and abroad.

This year's general session will focus on export markets and how they play an important role for cow-calf producers.

"The beef export market continues to grow for U.S. ranchers and is an important part of the overall cattle market," said Jason Cleere, conference coordinator and AgriLife Extension beef cattle specialist. "We will be looking at how much export value there is in a weaned calf and what hurdles there are when it comes to accessing emerging markets such as China."

Also scheduled for the general session is a long-term weather outlook. The course will feature 22 sessions covering basic practices, new technologies and other industry topics.

Registration is \$180 before July 31 and \$220 after. For more information or to register, visit <http://beefcattleshortcourse.com/>.

New Farm Journal Wildfire Fund Doubles Your Donation for Wildfire Recovery

Farm Journal announced a new fundraising effort for producers affected by the March wildfires. The Million Dollar Wildfire Relief Challenge will enable donors to help ranching families rebuild by doubling donations through July 31, 2017. To learn more and/or donate, visit <http://tinyurl.com/Wildfire-Fund>.

Sponsor Spotlight

TCFA is proud to recognize its top sponsors whose efforts help deliver top-notch service.

This week's spotlight shines on:



Animal Intelligence, for Life™

Dedicated to animal identification, Allflex is the world leader in design technology, manufacture and delivery of animal identification, management and monitoring systems across all production animal species, companion animals and fish.

Allflex has brought cutting-edge, practical applications of visual, electronic and radio frequency in animal identification technology across the world for more than six decades, contributing to a safer global food supply.

Allflex also offers precision instruments and syringes for the veterinary and livestock markets and tissue sampling devices for genomics for all species. Through SCR, our animal health monitoring division, we provide activity, rumination and heat stress data to better manage animals and their health. Allflex products are distributed in 60 countries worldwide. Visit www.allflexusa.com for more information.

This copyrighted material is the property of TCFA and is intended for the use of TCFA members only. It may not be redistributed, transmitted, stored or reproduced, in whole or in part, without the prior written consent of TCFA. The information contained in this material is believed to be reliable and correct, and the views expressed reflect judgments at this time and are subject to change without notice. TCFA does not warrant or guarantee that the information is complete, comprehensive or accurate and it should not be relied upon as such.

Texas Cattle Feeders Association

June 2, 2017