



# TEXAS CATTLE FEEDERS ASSOCIATION

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# NEWSLETTER

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## **AG Guestworker Bill Passes House Judiciary Committee**

The Agricultural Guestworker Act (AG Act) was approved by the U.S. House Judiciary Committee this week. The bill was authored by House Judiciary Committee Chairman Bob Goodlatte (R-Va.). The bill would replace the H-2A guest worker program under the Department of Labor (DOL) with an H-2C program overseen by USDA.

According to Rep. Mike Conaway (R-Midland), who currently chairs the House Ag Committee, the new program would provide American farmers and ranchers with access to a legal, steady supply of workers.

"It's time for an ag worker program that both respects our nation's immigration laws and keeps American agriculture competitive. As a former chairman of the House Agriculture Committee, Mr. Goodlatte understands the challenges facing farmers and ranchers. His bill cuts red tape and institutes a flexible program that accounts for the different labor needs of various producers — be it the ongoing needs of a dairy operation or the seasonal needs of specialty crop farmers. I look forward to working with the ag community and Chairman Goodlatte to help shepherd this legislation through the House."

Under the AG Act, 450,000 visas will be available each year for H-2C workers. Returning H-2A workers and previously unauthorized workers who participate legally in the new program won't count toward the annual visa limit.

According to the Judiciary Committee, the H-2C program will meet seasonal agricultural labor needs as well as support year-round agricultural employers. It also includes an automatic escalator should the base allocation of 450,000 H-2C visas be reached in a given year.

TCFA supports the AG Act and, in conjunction with other agriculture groups, worked to secure committee passage. Likewise, TCFA will continue working to generate support for the measure as it moves to the House floor.

The committee also passed the Legal Workforce Act which would phase in the requirement to use the electronic employment verification system (e-verify) in six-month increments over a two-year period, started with the largest businesses.

For questions, please email Josh Winegarner, TCFA director of government relations, at [josh@tcfa.org](mailto:josh@tcfa.org). To read more on the bill, visit [tinyurl.com/2017-AG-Act](http://tinyurl.com/2017-AG-Act).

## **Oklahoma Checkoff Vote Nov. 1**

Voting for the Oklahoma Beef Checkoff will take place Nov. 1 at all Oklahoma County Extension Offices.

**TCFA is encouraging any producer who sells cattle in Oklahoma to vote in favor of the checkoff.**

Producers who sell cattle in Oklahoma are eligible to vote, even if they live in a different state.

In related news, R-CALF and the Organization for Competitive Markets (OCM), a group backed by HSUS, filed suit with the Oklahoma Supreme Court this week asking them to prohibit the Oklahoma Department of Agriculture, Food and Forestry from certifying the Oklahoma beef checkoff program referendum citing constitutional and legal irregularities relating to the petition signature gathering and election process.

The Oklahoma Beef Council responded in a



statement, "The same out-of-state activist groups that delivered Oklahoma agriculture a blowing defeat of Question 777 last year are trying to shut down the refundable Oklahoma beef referendum that is currently being considered by state beef producers.

"Earlier this month, one of the out-of-state groups sent out a memo casting a wide net searching for a state beef producer to file the suit. This follows the current misinformation campaign that OCM, supported by HSUS and R-CALF USA, are leading in our state to discourage and deny beef producers the right to vote.

"We are confident in our handling of this referendum and know our actions will withstand the scrutiny. We worked closely with the Oklahoma Department of Agriculture, Food and Forestry and followed and abided by the state statute when conducting the petition and current checkoff vote. As for the voting process, we have even taken it upon ourselves to put extra measures in place to ensure the integrity of the vote."

Again, TCFA strongly encourages any members who are eligible to vote in the Oklahoma Checkoff to do so favorably. Eligible producers may vote at any extension office, regardless of where their cattle are located or where they live. For more information, visit [www.oklahomabeefcheckoff.com](http://www.oklahomabeefcheckoff.com).

### **EPA Issues Interim Guidance on CERCLA and EPCRA Reporting**

On Wednesday, EPA issued interim guidance to assist farms in complying with requirements to report air releases of hazardous substances from animal waste under CERCLA and EPCRA. The guidance, available [tinyurl.com/2017-CERCLA](http://tinyurl.com/2017-CERCLA), states that agricultural operations are exempt from EPCRA reporting and provides detailed instructions on how producers should report under CERCLA.

Reporting will begin Nov. 15, unless the DC Circuit Court of Appeals, which earlier this year vacated the original exemptions, decides to further stay implementation of the reporting requirements. In the coming days, EPA will request an extension of the stay, and a number of agricultural groups, including TCFA and NCBA, will support the request. **To be clear, reporting is not required until the Court lifts its stay.**

Outside of the court system, TCFA and NCBA continue to work through the congressional appropriations process to include a provision that will prevent EPA from expending funds to implement the reporting requirements for one year. As usual, the appropriations process is behind schedule, and a final bill is not likely to be approved until December.

### **U.S. House Passes FY 2018 Budget; Paves Way for Tax Reform**

The U.S. House of Representatives approved the FY 2018 Budget Resolution Thursday, paving the way for comprehensive tax reform to move forward. Included in the resolution are specific instructions that would give Republicans the ability to move tax legislation through the Senate with a simple majority vote.

Key issues in the Republican's Unified Framework for Fixing Our Broken Tax Code include repeal of the death tax, the generation-skipping transfer tax and the Alternative Minimum Tax, in addition to a five-year allowance for 100 percent expensing of new investments in depreciable assets (other than structures) made after Sept. 27, 2017.

Unfortunately, the framework calls for partially limiting the deduction for net interest expense incurred by C corporations and recommends further consideration on the appropriate treatment of interest paid by non-corporate taxpayers. Additionally, it is silent on stepped-up basis, like-kind exchanges, cash accounting and a number of other provisions beef producers rely upon to manage their tax burden.

TCFA President and CEO Ross Wilson was in Washington, D.C., this week and met with members of the House Ways and Means Committee as well as others in the Texas Delegation to discuss the potential impact new tax reform legislation could have on TCFA members. The tax reform bill is expected to be introduced in the House next week and considered by the committee on Nov. 6.

### **Jobs Added to TCFA Job Listing Website**

New job postings have been added to the TCFA Member Feedyards Job Openings web page. To view the web page and current listings, visit [www.tcfa.org/news-events/jobs.html](http://www.tcfa.org/news-events/jobs.html). If you have any additional questions, please contact Carmen Fenton at [carmen@tcfa.org](mailto:carmen@tcfa.org).

### **Constitutional Amendment Election Underway in Texas**

Early voting for the constitutional amendments election continues through Nov. 3 with election day slated for Nov. 7. There are seven amendments voters will consider.

For more information, including what's on the ballot and polling locations, visit [www.votetexas.gov/](http://www.votetexas.gov/).

## **Advertise in the *Cattle Feeders Resource Guide***

TCFA would like to thank all of our advertisers who helped make the 50<sup>th</sup> Anniversary of the *Resource Guide* a huge success. It was an honor for our team to put together a tribute to our industry's history over the past 50 years, a history that each of you are a part of.

As we look to the next 50 years, TCFA will continue to provide our membership with the information they need to continue to grow their businesses. We want you to be a part of that growth, which is why we are asking you to support the cattle feeding industry again by committing to advertise in the 2018 *Resource Guide*.

TCFA members are located in Texas, Oklahoma and New Mexico. Collectively they market approximately 6 million cattle on feed every year — 30 percent of the nation's fed cattle. They spend more than \$2 billion every year buying feed grains from farmers and \$6.5 billion buying cattle from ranchers. Together, TCFA members contribute \$15 billion to the local economies located in Cattle Feeding Country.

Every TCFA member receives a copy of the *Cattle Feeders Resource Guide* – feedyard managers, general managers and owners, as well as feedyard customers and Industry Associate members representing every segment of the agricultural industry. The publication is distributed not only to TCFA members, but will also be available in an online format on the TCFA website for anyone who wishes to view it.

We hope you see the value in partnering with the largest cattle feeding association in the country, and we truly appreciate your continued support.

To view the rate card for the 2018 *Resource Guide*, visit [tinyurl.com/2018-TCFA-RateCard](http://tinyurl.com/2018-TCFA-RateCard).

## **Ibach Confirmed as Under Secretary at USDA**

Former Director of the Nebraska Department of Agriculture Greg Ibach was confirmed Thursday by the U.S. Senate as the new Under Secretary for Marketing and Regulatory Programs at USDA. Ibach is a lifelong farmer and rancher.

In his new role, Ibach will oversee programs including the Agricultural Marketing Service, the Animal and Plant Health Inspection Service and the Grain Inspection Packers and Stockyards Administration.

"Greg Ibach will bring experience and integrity to his new role at USDA, and carries with him the knowledge he's gained in the dozen years he has served as Nebraska's Director of Agriculture," said Sonny Perdue, USDA secretary. "His expertise in a wide cross-section of agricultural issues will be invaluable to our customers: the farmers, ranchers, foresters and producers of America. I look forward to working with Greg and urge the Senate to continue to act on other nominees who are awaiting confirmation."

## **USDA Delays Codex Office Move; GIPSA/AMS Merger**

USDA Secretary Sonny Perdue told Congress this week that he will take more time to consider shifting the Codex food safety office to the agency's trade arm.

The reorganization would have transferred oversight of the Codex Office to USDA's Foreign Agricultural Affairs division from the Food Safety Inspection Services. Codex manages the nation's participation in the Codex Alimentarius Commission (CAC) which sets worldwide standards for food safety covering more than 180 nations. The CAC also works with the United Nations' Food and Agriculture Organization and the World Health Organization by helping to resolve trade disputes under the World Trade Organization.

In the letter to U.S. Sen. Pat Roberts (R-Kan.), chairman of the committee on agriculture, Perdue said the Codex Office move and the proposed merger of GIPSA and the Agricultural Marketing Service (AMS) "merit further discussion given issues raised by stakeholders."

## **2017 TCFA Annual Convention – Lowell Catlett**

Dr. Lowell Catlett is no stranger to the TCFA Convention. At this year's convention he spoke to the group about why now is the best time to be in the cattle feeding business.

He led attendees down the path of growth, beginning in the 1960s when TCFA was founded. He talked about the opportunity that lies ahead for cattle feeding as the population continues to grow, noting that raising cattle in feedyards has decreased the amount of inputs while increasing the amount of output, and that is what it will take to feed a growing population.

He also said that the negative impact to the environment is much smaller due to cattle feeding operations and that the animal's physical health is far superior when managed intensively. "It's a win. Win. Win," Catlett said talking about the future of the industry.

## **San Francisco Now Requires Grocers to Report on Antibiotics Used in Livestock**

The city of San Francisco, Calif., passed an ordinance this week that would require large grocery stores to submit detailed reports regarding the use of antibiotics in livestock raised for meat and poultry consumption.

The ordinance would require grocers to report the different purposes for which antibiotics are used; whether the use has a third-party certification; the average number of days of antibiotic use per animal; the percentage of animals treated with antibiotics; the number of animals raised; and the total volume of antibiotics administered.

The Northern American Meat Institute (NAMI) called the ordinance a "recipe for disaster."

The significant costs associated with the segregation and recordkeeping for meat and poultry products to be sold in San Francisco will increase the cost of meat and poultry for consumers there and reduce options available," NAMI said. "Meanwhile, there is no evidence that the program will have a meaningful public health impact. The FDA has implemented significant changes regarding how antibiotics are used and regulated for animals in the United States. FDA's new policy eliminates the use of medically important antibiotics for promoting growth in animals and requires all remaining uses to be accomplished under the supervision of a veterinarian."

The ordinance would hold grocers and producers jointly liable for delays in submitting reports and for any false statements made in the reports. Penalties for violations could include fines of up to \$500-\$1,000 each day per violation.

## **Sponsor Spotlight**

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

This week's spotlight shines on:

The logo for Capitol Land & Livestock features the word "CAPITOL" in a large, gold, serif font. Below it, the words "LAND & LIVESTOCK" are written in a smaller, gold, serif font, separated from "CAPITOL" by a thin horizontal line. The entire logo has a 3D, embossed appearance.

Capitol Land & Livestock is a cattle dealership that buys farm and ranch fresh calves and yearlings in Texas, Oklahoma, Arkansas and Louisiana. Established in 1946 by Eugene Schwertner, Capitol Land & Livestock is now carried on by his son Jim Schwertner and grandson Jimmy Schwertner with the same values and traditions.

Through their weaning program, called Schwertner Select, they have weaned over 150,000 calves over the past 30 years. They utilize supplemental feed as well as a full-time on-site veterinary and cowboy staff to insure the health and safety of your cattle.

The people at Capitol Land & Livestock pride themselves on customer service and making sure that they provide quality and value to their customers. Go to [www.cllnet.com](http://www.cllnet.com) or call any time at (254) 527-3342.

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**Texas Cattle Feeders Association**

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