




National Cattlemen's
Beef Association

GOVERNMENT AFFAIRS UPDATE


**ALLISON COOKE: EXECUTIVE DIRECTOR OF
GOVERNMENT AFFAIRS**



National Cattlemen's
Beef Association

WHO IS NCBA?


- Largest & oldest trade association for cattlemen
- 28,000 individual members & allied industry partners
- NCBA represents more than 175,000 cattle producers and feeders
- HQ in Denver, CO; Gov't. Affairs office in Washington, DC
- DC staff engages with Congressional leaders and federal agencies on a number of policy issues & advocates for membership in DC



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CURRENT ISSUES THAT KEEP THE DC TEAM UP AT NIGHT

- 2018 Farm Bill
- ELDs/Hours of Service for Livestock Haulers
- Tax Reform
- Endangered Species Act Reform
- Ag Guestworker program
- Environmental Issues (specifically EPRCA/CERCLA)
- Trade Agreements
- WOTUS (Waters of the US)
- Sage Grouse
- Monument Designations



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2018 FARM BILL

- Three Main Priorities:
- **Research Title:** Authorizing strong research programs helps our industry to remain as efficient and competitive as we can producing beef.
- **Conservation Title:** Protect funding and programs like EQIP that work for our producers.
- **Foot and Mouth Disease Vaccine Bank-** more robust bank with surge capacity.

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WHAT ARE ELECTRONIC LOGGING DEVICES?

- Devices connected to the engine of a commercial motor vehicle that will take the place of written log books.
- Over 200 devices on the market to choose from.
- Federal Motor Carrier Safety Administration allows device manufacturers to self-certify devices.
- All devices may not allow for a hauler to go into exempt status using their 150 air mile agricultural exemption.
- These devices, much like the current paper logs, are used to log a drivers Hours of Service. (Hours of service law currently: 14 hours on duty, 11 hours of drive time, 10 hours of consecutive rest.)

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ELDS/HOURS OF SERVICE: PROBLEM SOLVING

- The National Cattlemen's Beef Association has asked the following of congress and DOT:
- Delay ELD Enforcement: The current ELD enforcement deadline be delayed by the Federal Motor Carrier Safety Administration (FMCSA) no less than one year to allow adequate time for industry concerns to be addressed as well as necessary educational training on the actual ELDs to be conducted.
- Provide Increased Flexibility within HOS: Hours of Service (HOS) rules applying to livestock haulers must be made more flexible so that drivers can safely do their jobs while preserving the welfare of the animals.
- NCBA's current efforts towards these goals include the following language currently found in the House Appropriations FY 18 Bill:
- SEC. 132. None of the funds appropriated to DOT by this Act may be obligated or expended to implement, administer, or enforce the requirements of the use of electronic logging devices by operators of commercial motor vehicles, when transporting livestock as defined in the Emergency Livestock Feed Assistance Act of 1988, or insects.

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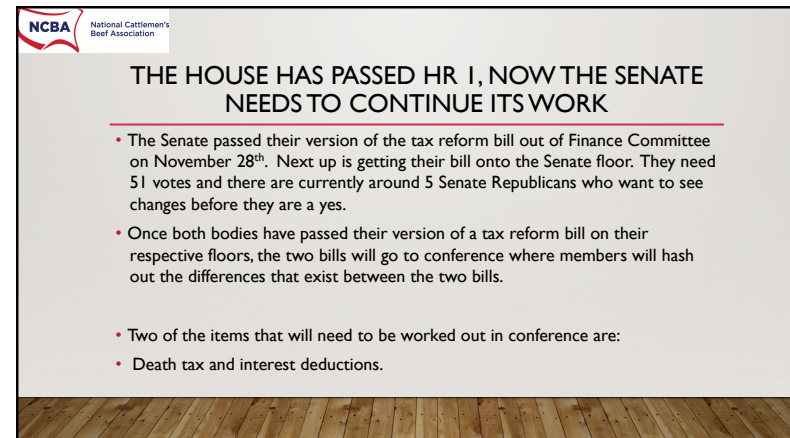
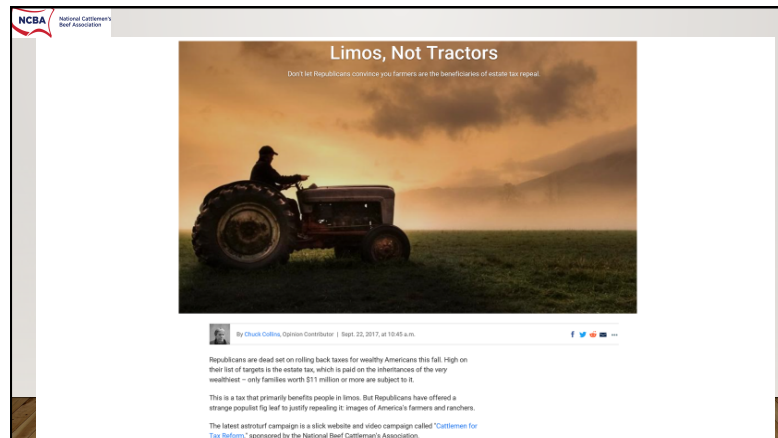
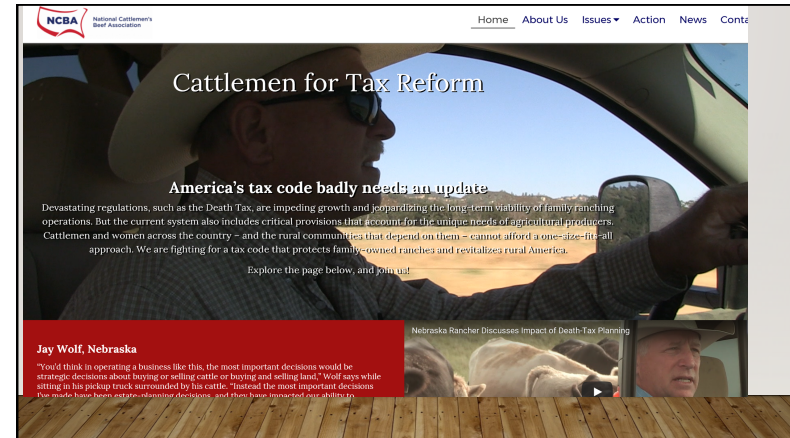
RECENT ELD WIN


- ******90 day waiver from the ELDs for Agricultural Haulers granted from the date of ELD implementation: December 18, 2017.**
- More time for DOT to look at the livestock hauling petition for a temporary waiver from ELDs.
- More time for DOT to write formal and clarifying guidance on the 150 air mile exemption for livestock haulers.

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TAX REFORM

- Permanently Repeal Death Tax
- Maintain Stepped-up Basis
- Maintain Cash Accounting
- Like-Kind Exchanges
- Interest Deductions
- Expensing
- Bonus Depreciation
- Capital Gains






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AG GUESTWORKER PROGRAM


- H.R. 4092- passed out of House Judiciary Committee, 17-16. (3 Republicans abstaining)
- 450,000 cap on workers (40,000 of this would be for meat packing/processing)
- 10% increase each year the cap is exceeded.
- Current H2A would not be counted towards the cap, but must return to same ranch/farm.
- Touchback of 45 days for a 36 month visa. (an added amendment requires an initial touchback)
- Touchback does not have to be home country and does not have to be consecutive days.
- In mandatory e-verify bill there would be a three year delay on implementation for agriculture.



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EPCRA/CERCLA


- 2008 rule by the Environmental Protection Agency (EPA) created an exemption for animal agriculture from reporting requirements under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Emergency Planning and Community Right to Know Act (EPCRA)
- Environmentalist groups challenged the rule
- Circuit Court of Appeals for the D.C. Circuit overturned the EPA's rule, creating potential liability for upwards of 63,000 operations.



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HERE ARE THE PROBLEMS

- Prior to the court decision, only operations with over 1,000 cattle were required to submit reports. Now, operations with as few as 208 cattle are subject to these reporting requirements.
- Time consuming tedious reporting
- Exposure to citizen lawsuits- your info. will be made public with this reporting, and thus open to environmental groups.
- National Security Vulnerability- taking time and resources away from actual hazardous waste emergencies by inundating the Coast Guard's National Response Center.



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GOOD NEWS!

- We had good news on this issue on November 22nd. The DC Circuit court has ordered a stay on the reporting mandate until January 22, 2018.
- We will continue to work with EPA as well as our friends in Congress to push language through the appropriations process as well as bipartisan stand-alone legislation.
- We will also continue to work with the Coast Guard as they are the responsible party at the National Response Center and have expressed concerns being inundated with reports.

BEEF'S TOP TRADING PARTNERS

- Japan: \$1.5 billion (annually)
- Korea: \$1.06 billion
- Mexico: \$975 million
- Canada: \$758 million



TRADE

- NAFTA- DO NO HARM – NAFTA has been a great success story for the American Beef Industry, with roughly \$2 billion in annual sales.
- The question remains, what does President Trump really want to see in NAFTA renegotiations? The Dec. deadline will probably not be met to finish negotiations.
- Even the discussions about renegotiating has sent Canada, Mexico, and the markets into a tizzy.
- Japan- Prioritize a Bilateral Push (our 38.5% percent tariff is now at 50%) The Australians have a 27.5% tariff currently and that is decreasing.
- South Korea- Leave this agreement alone. Our sales have skyrocketed since implementation in 2012. From \$582 million to \$1.06 billion in 2016, up 82%.



POLITICAL OUTLOOK

- NO FMCSA Administrator at DOT to oversee implementation of ELDs.
- No Agricultural Negotiator for Trade post at USTR- Greg Doud being held up.
- Bill Northey to be the next under secretary for farm production and conservation, being held up by Senator Ted Cruz- TX.
- Sam Clovis- withdrew his name for USDA's Chief Scientist position.
- Hard to get things done at USDA when we still have vacancies.



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Any Questions?

Please feel free to reach out to me at Acooke@beef.org.
To Join NCBA or learn about internships in our DC office, please
go to BEEFUSA.ORG