

Newsletter

AUGUST 2022

With A "Steak" In Montana's Future
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MARK YOUR CALENDARS!

Montana Cattlemen's 21st Annual Cattlemen's Day will be held on Saturday December 3rd at the Holiday Inn, Great Falls

THE AGENDA WILL BE POSTED IN OUR NOVEMBER NEWSLETTER

Property tax initiative doesn't get the signatures Will be off November ballot

By Keith Schubert, Daily Montanan

A constitutional initiative to put a cap on residential property taxes will not appear on the November ballot. Numbers from the Montana Secretary of State showed the Constitutional Initiative 121 only received about 5,000 of the 60,359 signatures necessary. While July 15 is the deadline for county election administrators to file certified ballot issue petitions in the Secretary of State's Office, one of the initiative's principal backers, Matthew Monforton, threw in the towel on Thursday.

Monforton, a Bozeman attorney and former state lawmaker, blamed the courts and the secretary of state's office for the failure. "We fell short due to a left-wing judge illegally enjoining signature-gathering. Additionally, a conglomerate of liberal special interests and tax-and-spend Republicans spent hundreds of thousands of dollars to preserve a property tax system that punishes homeowners. We received nearly 20,000 signatures that we couldn't turn in because the Secretary of State's office ruled that the brochure we used for the signatures incorrectly underlined the wrong portion of the text of the initiative," he said.

Earlier this year, while litigation played out over the initiative, a Lewis and Clark County District Judge placed a preliminary injunction on signature gathering for about two weeks. But, he said, the fight is not over yet: "The Legislature is addicted to overtaxing homeowners. This is a problem that is not going away. We will circulate a new initiative beginning in June 2023, which will give us plenty of time to qualify for the November 2024 ballot."

Many groups, including the Montana Federation of Public Employees, Montana Chamber of Commerce, Montana Association of Realtors, and agricultural and development groups, fought against the measure. Lee Newspapers reported a political committee dedicated to fighting the initiative raised more than \$330,000 since the beginning of the year and spent more than \$300,000 through June 25. And the group backing the initiative raised less than \$2,000 over the same period.

Know the Consequences, NO on CI-121, an opposition committee to the initiative, celebrated on Thursday. "This outcome is the best possible outcome for all Montanans," said Ron Ostberg, campaign treasurer of the committee, in a statement. "As a small farmer and rancher, CI-121 would have harmed not just my community but my livelihood. I am proud all our hard work paid off. I'm glad Montanans saw this was not the right way to address these critical issues facing our state." Amanda Curtis, president of MFPE, echoed his message. "We are proud of the citizens of Montana for recognizing the hidden consequences that CI-121 would have brought to our state," she said.

As aging farmers retire, lawmakers explore how to boost beginning producers

By: Allison Winter

WASHINGTON — More than half of American farmers will reach retirement age in the next 10 years, but the steep price of entry to start a farm, along with rising input costs and volatile markets, make it tough for young and beginning farmers to take their places. "Farming is inherently a risky business, but in the environment we are in right now, that risk is elevated," Nathan Kauffman, vice president and economist at the Federal Reserve Bank of Kansas City in Omaha, Nebraska, testified at a U.S. House Agriculture Committee hearing last week.

The current financial outlook for farmers is particularly challenging. Farmers face rising costs for not only farmland, but also fertilizer, fuel, seeds and chemicals. These rising costs are due in part to the war in Ukraine, strains on the global supply system, inflation and severe weather. Meanwhile, high crop prices that have buoyed farmers over the past year are expected to go down. "Uncertainty about the outlook for the U.S. agriculture economy is high and will depend significantly on global factors, particularly the war in Ukraine and the strength of global economic activity," said Kauffman. Demand for farm loans is expected to rise notably, and capital expenditure is expected to decline in the coming months for the first time since 2020, according to Kauffman. House lawmakers are looking for ways to mitigate some of these risks and support young and beginning farmers in the next farm bill, the sweeping legislation that will set programs and funding levels for farm and food support for the next five years. "It is a national and very critical issue. And we must ensure that the next generation of men and women can take the place of those who are retiring from this grand occupation called farming," House Agriculture Committee Chairman David Scott, a Georgia Democrat, told his colleagues at the hearing. "This is very critical to me. And credit is one of those tools that we must make readily available."

An aging demographic: Aging farmers and the price of entry in the industry pose a challenge for U.S. agriculture. A third of America's 3.4 million farmers are over 65, according to the most recent agricultural census from the U.S. Department of Agriculture. The census was taken in 2017 and published in 2019. At the time, nearly a million more farmers were within a decade of the milestone retirement age of 65. The census found that 27 percent of farmers qualify as "new and beginning producers," with 10 years or less of experience in agriculture. Most of those farmers have operations that are smaller than average, both in terms of acres and value of production, according to USDA.

Members of the House Agriculture Committee said they are particularly interested in whether young, beginning or underserved farmers have access to credit, so they can get started in the high-capital world of agriculture. "In any agriculture operation, one of the most critical relationships the farmer may have is with his or her lender. This is especially true for young and beginning producers. Farming is capital intensive," said Rep. Glenn Thompson of Pennsylvania, the top Republican on the

committee. "The cost of entry is incredibly high and can act as a barrier to entry for these new agriculturalists trying to start or grow their farm operations."

Challenge for federal loans: The Agriculture Department's Farm Services Agency has an array of different loans available to farmers, including one targeted at young and beginning farmers. But in practice, producers say the federal loan process can be laborious, slow and hard to access. The struggle to obtain a loan can be especially acute for Black farmers, who can face racism and discrimination in applying for a loan, according to Dania Davy of the Alcorn State University Socially Disadvantaged Farmers and Ranchers Policy Research Center in East Point, Georgia.

Black farmers have reached out to her group for help when the Farm Services Agency recommended they use their credit card instead of a federal loan, or when loan delays put a generational family farm at risk. "As we review the farm bill and prepare for the scheduled reauthorization, we must make use of the opportunity to prevent the looming threat of loss of Black farms, land and livelihoods that has been institutionalized by racially disparate credit access," Davy told the committee. Davy recommends a more robust civil rights process at the local level with farm loan field agencies.

Julia Asherman, who owns a small organic farm in Jeffersonville, Georgia, was able to finance her operation with three different Farm Service Agency loans. But she said even her success story highlights some roadblocks in the process. It took two months for her to get approval for her loan and there was no option for pre-approval before she identified land to purchase. In a competitive market, a landowner would likely move on to the next bidder rather than wait that long for a loan. "Farmers easily lose out on potential properties by not being able to act fast, and I've known several farmers personally who have not been able to use FSA loans to purchase for this reason," Asherman said. Asherman has a three-acre certified organic vegetable and specialty cut flower farm with five employees, three full-time and two part-time — a business she runs with no off-farm income. But the FSA loan process is geared toward much larger operations, and it was a struggle to prove the validity of her farm. "Their expectation of what a farm would look like, what it would gross per acre, and what it could produce per acre was in a totally different realm from what my understanding was, because they were really talking about a different kind of farming," Asherman said.

The hearing was one in a series as the House Agriculture Committee ramps up its oversight work for the 2023 farm bill. Hearings are set in Washington this month to examine farm credit, crop insurance and forestry programs. Lawmakers plan to take their show on the road in August with field hearings slated in committee members' districts across the country.

WHY HAS CONGRESS STALLED ON COUNTRY-OF-ORIGIN LABELING?

By Gilles Stockton, MCA President

Consumers have the right to know the origin of their beef purchases and ranchers have the right to a fair and transparent market. Everyone agrees, except for those paid by the beef cartel to not agree. This seems to have been the case with Don Schieifelbein, president of the National Cattlemen's Beef Association (NCBA), when testifying before the House of Representatives Agricultural Committee on April 27, 2022. Otherwise, his organization's opposition to the American Beef Labeling Act makes no logical sense.

The American Beef Labeling Act aims to restore beef and pork to the long list of imported food and manufactured items that are labeled as to country of origin. In 2015, ostensibly because of a World Trade Organization (WTO) ruling that challenged our country's labeling of beef and pork, Congress removed beef and pork from the labeling requirement. Chicken, lamb, seafood, fruits, and vegetables all continue to be labeled. Only beef and pork were affected, a law benefiting the packing cartel which imports beef from Brazil, Nicaragua, Australia, Mexico, and Canada.

The NCBA. through their President, Schieflebein, objected to country-of-origin labeling (COOL) of beef because, they claim, it would be a government "mandate." What they favor instead is "voluntary" country of origin labeling. This is as bogus an argument as can be made because we already have voluntary COOL. The importers of Brazilian or Nicaraguan beef can advertise their beef as such any time they so desire. The reason they don't is because they want American consumers to believe that the imported beef that is being purchased was born and raised in the USA, not imported from Brazil or Nicaragua.

As for the NCBA argument that cattle producers are against COOL because it is a "mandate" they should ask sheep producers what they think of the "mandated" label on Australian and New Zealand lamb. That is one "mandate" that shepherds are happy to have. The NCBA may be opposed to a COOL "mandate" but they have no problem with the Beef Checkoff Tax that every cattle producer is "mandated" to pay each time a cow is sold. The NCBA controls this tax bonanza and reserves about 40 million dollars each year to fund their pro beef packer agenda.

Approximately one fifth of the beef available in the grocery stores is imported. However, for beef in the form of hamburger, much more than a fifth is imported. Lean beef raised on what used to be the Amazon rainforest is mixed with excess fat from steers fed a corn ration in this country. This mixture constitutes the bulk of the hamburger meat in the markets. As for beef sold as "grass-fed," most is imported from Australia.

We have no inspectors in the slaughter plants in foreign countries and rely upon catching tainted meat at our boarder where we do not have nearly enough meat inspectors. In 2017, USDA suspended fresh beef imports from Brazil because up to 11% of that beef was

contaminated with salmonella. This ban was not lifted until 2020, which is an indication of how bad slaughter practices can be in Brazil and an indication of the level of risk US consumers face. As for American cattle producers, we are at the mercy of a market manipulated by Beef Packers who use imported beef to reduce prices for live cattle. Because there is no COOL requirement, ranchers cannot advertise our product in a manner that differentiates it from imported beef.

There is an interesting twist, or if you like complication, to this story about COOL. The Department of Agriculture (USDA) has a voluntary program which allows a "Product of USA" label to be put on imported beef if that meat has been reprocessed or repackaged in this country. Beef importers are fond of this "voluntary" program because imported beef can in this manner be legally advertised as US beef. What they don't like is the other "voluntary" opportunity to label their imported beef as to its true country of origin. This is why a "voluntary" COOL program, which the NCBA says they favor, is a total non-starter. The packers do not want to be "mandated" to label their beef correctly, hence their partnership with the NCBA to oppose COOL.

President Biden, in an Executive Order, directed USDA to correct this "Product of USA" fraud. Presumably USDA is working on it but is taking their own sweet time to come up with an honest alternative label. It should not be that hard to come to the conclusion that the only way to fix the loophole is to close it. If an importer wants to label their beef as "born and raised in Nicaragua but repackaged in the USA" they should have the opportunity, Therefore, but thev won't do so. the Administration's best alternative is to just eliminate the "Product of USA" loophole and concentrate instead on restoring true country of origin labeling for beef.

Although the vast majority of Americans, consumers and cattle producers alike, favor COOL, the American Beef Labeling Act (S 2716 & HR 7291) is not moving through Congress very fast at all. So far it has ten cosponsors in the Senate and only two in the House. This is pathetic. The co-sponsors are evenly divided as to Republican and Democrats which is as it should be, because COOL is not a partisan issue. What it is, however, is a matter of what is good for the American people versus the money that the global beef cartel is able to spend to buy Congress.

If your Senator or Representative is not one of the co-sponsors, call them immediately. Also call or email Senate Agriculture Chair Debbie Stabenow (202-224-4822) and House Agriculture Chair David Scott (202-225-2171) and urge them to take action to pass the American Beef Labeling Act. For good measure, call or email the President (202-456-1111) and tell him that Congress needs to pass the American Beef Labeling Act so that American beef can be proudly labeled -BORN, RAISED, AND PROCESSED IN THE USA.



By Rick Keith President, CEO Producers Livestock Marketing Association

Why are we arguing about MCOOL?

This is how I started out my newsletter article from one year ago: "Packer margins continue to increase as cutout prices increase and fed cattle prices stagnate. Last week (week of April 17), the comprehensive cutout value increased \$8 while the cost of cattle decreased \$1 to \$3. As a result, packer margins ended the week in the \$550 to \$625 per head range. Last year during May, packer margins surged to about \$2,000 per head as cutout prices jumped to more than \$400 during the week of May 15."

The end users and packers have maintained these huge margins over the past year. There are cattlemen's associations fighting any change in the marketing structure. The packers testify before Congress and say that it is just the cycle, we are currently in. Well, it has been a crappy cycle for farmers and ranchers since 2015.

Personally, I cannot see the point in arguing against mandatory country of origin labeling (MCOOL). A country having only pork and beef products not listed with its point of origin is crazy. Why is this even something to argue about?

In the following chart you can see the huge increase in imported beef from Brazil. And, of course, all this beef comes into the United States, is repackaged, and labeled "Product of the U.S.A."

If you walk into a grocery store and buy hamburger patties labeled as "Product of the U.S.A.", it is possible that you are not.

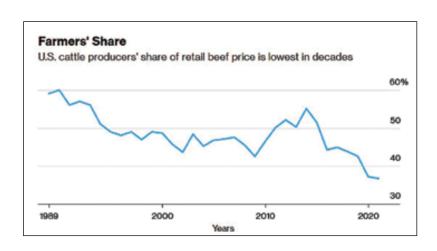
Because it is very possible that you are going to eat a burger of a foreign beef blend or just 100% foreign beef. If you think that sounds odd, you are not alone. For years, farm groups and consumer advocates have asked the Department of Agriculture (USDA) to end that confusion and reinstate the policy called country of origin labeling (COOL).

That policy required meat companies and end users to disclose where their beef and pork was born, raised, and slaughtered. But COOL has not been enforced since 2016, after trade disputes led Congress to repeal the short-lived law.

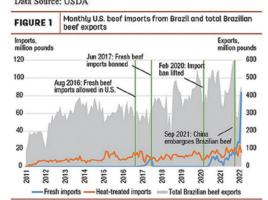
Once again, since then, meat that comes in from other countries has been sold to consumers as a "Product of U.S.A.," or labeled "Made in the U.S.A.," even if the meat has only been repackaged here.

Critics like me say that has misled shoppers and hurt domestic cattle ranchers and feeders, all the while benefiting the world's largest meat processors and end users.

Once again, people want to know where their beef was born, raised and slaughtered.







Note: Imports and exports reported as carcass-weight equivalent. Fresh imports consist of boneless beef, fresh or chilled, and frozen. Heal-treated imports consist of prepared or preserved beef.

Farm Service Agency Updates Livestock Indemnity Program Payments

(Menoken, ND) – Recently, I-BAND (Independent Beef Association of North Dakota) was instrumental in urging the Farm Service Agency (FSA), State and National offices, to re-evaluate the Livestock Indemnity Program (LIP) payment rate and normal mortality rate for beef cattle that are under 250 lbs. Prior to 2020, there was one weight class for non-adult beef cattle under 400lbs that provided a fair indemnity for younger calves lost to a natural disaster. Today, the Livestock Indemnity Program (LIP) has two weight classes for calves under 400 lbs., the lowest being under 250 lbs.

The April winter storms that rolled through North Dakota one after another left our cattlemen and cattlewomen with extreme losses, most occurring in the under 250 lbs. weight class. Each calf they were unable to raise to weaning will reduce their annual income by \$1000-\$1200. Many ranchers have already paid the expenses to raise those lost calves until weaning. The financial outlook caused by these storms were catastrophic.

The payment rate according to LIP policy is set at 75% of the fair market value. Previously, the rate for this program for calves under 250 lbs. was \$175. That puts the estimated average market price at \$233. As of July 18, 2022, the payments rates for beef have been updated to use the same price as the 251-to 399 lb livestock. The rate is now set at \$474.38 per head for the cattle weighing less than 250 lbs.

LIP payments previously paid for the livestock types of beef, beefalo, buffalo/bison, and dairy under 250 pounds and 250 to 399 pounds will be recalculated to pay the updated amount once the updated amounts are loaded into the LIP software. If no update to the application was made, no further action is required. Information gathered for this release: (www.fsa.usda.gov/Internet/FSA Notice/lip 4.pdf).

TABLE 1: LIP PAYMENT RATES FOR ELIGIBLE LIVESTOCK OWNERS (rates have been reduced by the required 75%)							
KIND	ТҮРЕ	WEIGHT RANGE	2022 PAYMENT RATE PER HEAD				
Beef	Adult	Bull	\$1,077.94				
		Cow	\$829.18				
	Non-Adult	Less than 250 pounds	\$175.27				
		250 to 399 pounds	\$474.38				
		400 to 799 pounds	\$661.32				
		800 pounds or more	\$1,102.20				

One in seven Montanans struggle with hunger; one in five children in Montana live in households that struggle with hunger. USDA reports 11.5% of Montana households are "food insecure" and often skip meals or go to bed hungry, including the elderly and young children. *Many on fixed incomes, single mothers, and the working poor simply cannot afford to purchase quality meat to feed their families. Montana *Cattlemen's Foundation has organized the "BEEF ON EVERY PLATE" program to enable cattle producers to donate beef to help feed our reighbors. To date we have provided beef for over 322,000 meals!!

As cattle producers, we always have beef in the freezer. Unfortunately, this is a luxury that too many Montanans do not share. The need is overwhelming! If you wish to donate a cow, bull, or steer, please call the Montana Cattlemen's Foundation 406-467-2251 to make arrangements. For those who do not own cattle, cash donations are also needed to help pay for costs associated with processing the beef. Montana Cattlemen's Foundation is working with the Montana Food Bank Network and others to distribute the hamburger throughout the state. With your help we can provide assistance to Montanans in need!



Montana Cattlemen's Foundation for Research, Education and Endowment is a non-profit taxexempt charitable foundation organized under IRS tax code Section 501(c)(3). All of your contributions are fully deductible. There are no administration costs, so 100% of your donation goes to this program!

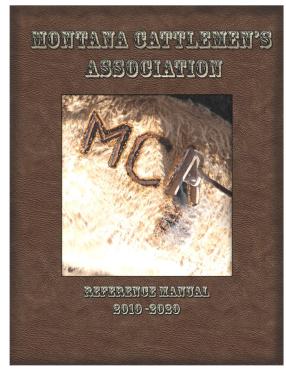
diministration costs, so 10070 of your admitted goes to this program

For more information please contact:

MONTANA CATTLEMEN'S ASSOCIATION FOUNDATION PO Box 536 ~ Vaughn, MT 59487 ~ (406) 467-2251

Email: mca@montanacattlemen.org Web: www.montanacattlemen.org

Your Support Is Appreciated!



DISBURSAL SALE!!

Montana Cattlemen will <u>NOT</u> be publishing a third edition of the Brand Book covering the new renewals for 2022-2030. Therefore, the previous edition of the Montana Cattlemen's Association Brand Book and Reference Manual is being offered at a special reduced price. This is a deluxe hard cover three-volume series which catalogs Montana's recorded livestock brands through 2021. It also includes some special "extras": ranch histories, western poetry, traditional cowboy recipes, and photos. The three volumes of the brand book have been divided into the following counties:

<u>WESTERN</u>: Lincoln, Flathead, Lake, Sanders, Missoula, Ravalli, Granite, Powell, Glacier, Pondera, Teton, Lewis & Clark, Deer Lodge, Jefferson, Silverbow, Madison, Beaverhead, Gallatin, Broadwater, and Mineral.

<u>CENTRAL</u>: Toole, Liberty, Hill, Choteau, Judith Basin, Blaine, Fergus, Petroleum, Meagher, Wheatland, Sweet Grass, Park, Golden Valley, Musselshell, Yellowstone, Stillwater, Cascade and Carbon.

EASTERN: Phillips, Valley, Daniels, Roosevelt, Sheridan, Garfield, Rosebud, Treasure, Big Horn, McCone, Richland, Dawson, Prairie, Wibaux, Custer, Fallon, Powder River, and Carter.

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MONTANA CATTLEMEN'S ASSOCIATION PO Box 536 ~ Vaughn, MT 59487

Brand Book Order Form

Books can also be ordered online at www.montanacattlemen.org (while supplies last)

SHIP TO:				
Name:				
Address:				
City:		ST	Zip_	
Telephone:		Email:		
Eastern Volume (516 pages):	\$65 now	<u>\$32.00</u> plus \$5 shipping	_	(Quantity)
Central Volume (634 pages):	\$75 now	\$35.00 plus \$5 shipping	_	(Quantity)
Western Volume (512 pages):	\$65 now	<u>\$32.00</u> plus \$5 shipping		(Quantity)
Three-volume set:	\$185 now	<u>\$90.00</u> plus \$10 shipping	_	(Quantity)
TOTAL A	\$			

Have you renewed your 2022 dues?

Thank you for your support of Montana Cattlemen's Association. If you have not yet renewed your dues for 2022 please complete the form recently mailed to you, or renew online.

REASONS TO JOIN MCA? MCA is a grassroots organization not beholden to outside corporate interests. Our Board of Directors are non-paid volunteers engaging with other like-minded organizations to best serve the Montana cattle producer. MCA is a member of the revitalized Montana Agriculture Coalition consisting of 11 other Montana ag groups working on issues impacting all aspects of agriculture throughout our state that affect your livelihood and community.

MCA is actively representing you on: Water and property rights, ag property valuation & taxation, renewable resources, animal health and welfare, livestock loss & prevention, wildlife management, beef labeling and promotion (COOL), the checkoff program, State and Federal government relations, testifying at Washington DC legislative sessions, marketing and competition, youth in agriculture, and hosting the Annual Cattlemen's Day convention. Additionally, with your help MCA provides beef to Montana's food banks through our "Beef on Every Plate"

As a member-driven grassroots organization our work is completely funded through your membership dues and donations. The more members, the more effective MCA will be in dealing with problems facing our industry. Increased membership numbers also enables MCA to have a seat on the Montana Beef Council where we have input as to how your checkoff dollars are spent. Your thoughts and concerns about our industry are important to us. We look forward to your continued support and input and we welcome your participation in MCA!

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Grilled Beef Shish Kabobs

INGREDIENTS:

1½ lbs. Top Sirloin Steak cut into 1-1/2" cubes

1 lb. button mushrooms

1 medium red, yellow, and green bell pepper, cut into 1-inch pieces

1 large red onion, cut into 1-inch pieces

2 zucchini or yellow squash, sliced

MARINADE: (or your favorite marinade of choice, such as Mr. Yoshida's Original Gourmet)

1/3 cup extra virgin olive oil

1/3 cup soy sauce

3 tablespoons red wine or balsamic vinegar

1/4 cup honey (can substitute brown sugar)

2 cloves garlic, minced

1 tablespoon minced fresh ginger

Freshly ground black pepper to taste

Toss all the ingredients into a large bowl and stir in marinade. Cover and chill in fridge for at least 30 minutes, preferably several hours. The longer the better!



COOKING:

Alternately thread beef and vegetable pieces evenly onto either metal or bamboo skewers.

NOTE: Using bamboo skewers instead of metal will help keep the steak from getting overcooked on the inside. Soak wooden skewers for 10 to 30 minutes in water before using.

Grill kabobs, covered, 8 to 12 minutes over medium heat on preheated grill, turning once.

Serve with watermelon slices and either a tossed green salad, potato salad, macaroni salad, or three bean salad.

NEWSIETTER

Montana Cattlemen's Assn. P.O. Box 536 Vaughn, MT 59487

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MONTANA CATTLEMEN'S ASSOCIATION MISSION STATEMENT

To address market interests, serve to support Montana's environmental, cultural, and historical heritage, and protect the interests of Montana cattle producers in international markets and trade issues.

The Montana Cattlemen's Association shall be true environmentalists in protecting and advancing their environmental position in water rights, mineral rights, and natural resources.

Montana Cattlemen's Association has a long history going back to the 1950's of representing Montana cattle producers on issues vital to the future of our industry. Our goal is to continue that tradition with the help of experienced cattle producers across the state—just like yourself!

Montana Cattlemen's Association is a producer-driven, grassroots organization committed to ensuring profitability for the Montana cattle industry. We are dedicated to increasing profit opportunities for you and your family as well as for future generations.

WHY JOIN MCA?

- Producer-driven grassroots policies
- Credibility and integrity within the cattle industry and in Helena
- Working only for Montana cattle producers to increase profitability
- Membership numbers strengthen MCA's effectiveness
- MCA works with legislators, businesses, communities and other like-minded organizations in the development of rural Montana
- Opportunities to become involved within the organization
- Every cattle producer has a voice in decisions that affect his livelihood

