



Newsletter

JULY 2023

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From the MCA President's Desk . . .

"Make hay while the sun shines" has certainly never been truer and for many of us it's a great time for cutting, baling and moving our hay harvests. The abundant moisture from our spring storms and recent rains has been a blessing, but there are also some fellow ag producers trapped by a few pockets of persistent drought. With the abundance of this harvest that should help lower prices for those in need in our State, but hay exports to others states still in the grip of drought could keep prices at the \$200 a ton range. Or so I've read in some journals.

The futures feeder prices have finally cracked the **\$2.50** mark for the October and November contracts. It will be interesting to see how that translates to contracts and sales at our auction barns. The last time we saw \$2.50 was when our government repealed COOL back in 2015, when the WTO was out to intimidate us, and when it might have been cheaper to pay fines. We lost billions of dollars then – that's with a 'B' – in market value for our cattle.

We've got some great articles in this July newsletter, and it's truly a team effort from our board members who share their knowledge and views. Thanks to Sharon and Jan for getting it all together. Gilles has an op-ed on page 3 exposing how some House of Representatives members want to **'DEFUND our Cow Police'** as they want to strip away funding for vigorous enforcement of the Packers and Stockyards Act. This has received bi-partisan support in the Senate. That article lists the legislators involved and has their phone numbers so you can reach them and demand that the strong enforcement provisions NOT be defunded.

Another provocative issue has been the subject of new rulemaking by the BLM in regards to 'conservation leases' which appears to put ranchers in greater competition with other uses being proposed. That article is on page 4 and titled 'Where Will All the Cows Go?' Over 16,000 public comments were collected and many were rightfully upset that the public comment and hearing process wasn't long enough, especially for producers to weigh in on this issue. But it's never too late to tell Representative Zinke, Representative Rosendale, Senator Tester and Senator Daines we want a 'fair shake' for family farms and ranches. I, along with the MCA Board, will work to insist on that.

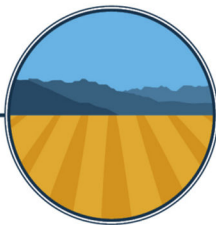
MCA Cattlemen's Day will be December 9 at the Holiday Inn in Great Falls. We'll have in-person and virtual capability so we hope you can join us. Please contact your officers or directors for topics you'd like included in the program.

We also appreciate our new sponsors who have ads appearing in this newsletter and urge our members to support those businesses when they can.

Your membership is vital to MCA keeping a seat at the table of the Montana Beef Council. Since maintaining a seat on the Council is dependent on our membership numbers, please be sure to pay your annual dues today if you have not already done so. Thanks to Ken Morris for his dedication in serving on behalf of MCA on the Beef Council and 'telling it like it is' to ensure your checkoff dollars are put to good use.

Richard D. Liebert
President, Montana Cattlemen's Association





Montana Department of Agriculture and Montana State University Extension

Join New USDA Regional Food Business Center Partnership

HELENA, MT - The Montana Department of Agriculture and Montana State University Extension were recently announced as partners in a \$30 million U.S. Department of Agriculture effort to establish a regional center to create opportunities for food producers and increase food security.

Co-led by Colorado State University and Oregon State University, the new Northwest and Rocky Mountain Food Business Center is part of a larger effort nationwide, for which the USDA announced \$400 million in funding last September.

"This funding represents a great opportunity to both identify and fill gaps that need attention while leveraging the strengths that exist within Montana's food supply chains," said Andy Fjeseth, Bureau Chief of the state of Montana's Agricultural Finance, Trade and Development Bureau.

In total, the USDA will establish 12 regional food business centers to serve all areas of the country.

"Montana is lucky to have a robust technical assistance network within this space. I am excited to see how this funding can establish new partnerships and help move our food and ag industries forward," Fjeseth said.

The Northwest and Rocky Mountain Food Business Center will support farm, ranch and food businesses, as well as broader food supply chain enterprises, through:

- Technical assistance programs, curricula and one-on-one business support.
- Direct investments in projects and professional development for regional food system leaders and innovators.

Coordination via strategic sharing of resources and coordinated action across the region, and between USDA and regional stakeholders.

"We are incredibly excited for this project to get underway," said Tommy Bass, MSU Extension livestock environment associate specialist. "Working with the Montana Department of Agriculture, USDA, local food NGOs (non-governmental organizations) and regional land-grant colleagues, I know we can make a significant impact to food supply chains across the region."

The Northwest and Rocky Mountain Regional Food Business Center will work with partners to target investments in communities across the region. It will focus on four areas: resilient animal protein supply chains; food entrepreneurs seeking to scale up; farms leveraging opportunities aligned with emerging climate-resilient markets; and right-sized infrastructure and investment.

The center will also serve as the hub for regional small- and mid-tier food and farm business development initiatives, supporting resilience across multiple industry sectors and creating a regional collaborative network. The center will also provide timely and relevant data and analysis for market access and development and serve as a gateway and navigator for USDA programs and funding as well as other third-party funding sources.

More information about the Northwest and Rocky Mountain Food Business Development Center can be found at NWRockyMountainRegionalFoodBusiness.com.

The Montana Department of Agriculture is serving Montana Agriculture and growing prosperity under the Big Sky. For more information on department programs and services, visit agr.mt.gov

House Appropriations Committee Favors Injustice in Livestock Markets

Op-Ed by Gilles Stockton, MCA Director

The essence of democratic process is the opportunity for all parties to be able to voice their views. The House of Representatives Appropriations Committee, by inserting a budget rider which defunds the ongoing work by USDA to formulate rules that would re-invigorate the Packers and Stockyards Act, violated all principles of democracy. They did this action with no hearings or public input. Obviously, this budget rider is an inside job by the meat packer cartel aided by their public spokes-organization, the National Cattlemen's Beef Association (NCBA). The budget rider allows packers to continue using unfair and predatory markets.

Lest we wonder why people are frustrated with government and the political process, it is precisely because of too many inside deals that protect the interests of global corporations over those of farmers, ranchers, and other hard-working Americans. For more than a decade now, livestock producers have been begging USDA to publish rules that spell out the rights that poultry, hog, and cattle producers have under the Packers and Stockyards Act (P&S Act).

This Act which dates back to 1921 has been systematically ignored precisely because the P&S Act prohibits many of the practices regularly employed by the meat cartel:

It shall be unlawful for any packer ... to:

- (a) Engage in or use any unfair, unjustly discriminatory, or deceptive practice ...; or*
- (b) Make or give any undue or unreasonable preference or advantage ... or*
- (c) Sell or otherwise transfer, ... if such apportionment has the tendency or effect of restraining commerce or of creating a monopoly; or*
- (d) Sell or otherwise transfer ..., or buy or otherwise receive ... any article for the purpose or with the effect of manipulating or controlling prices, or of creating a monopoly ... or*
- (e) Engage in any course of business or do any act for the purpose or with the effect of manipulating or controlling prices, or of creating a monopoly ... or*
- (f) Conspire, combine, agree, or arrange ... to manipulate or control prices.*

From any layman's understanding it is clear that meat packers are in violation of this law; hence, you can understand why packers would bribe Congress to prevent enforcement. During the Obama Administration, USDA tried to publish what was called the "GIPSA Rules," but Congress, just as now, pulled the funding. The Trump administration rescinded the proposed GIPSA rules.

The Biden Administration has once again been formulating GIPSA rules, and so far have published three for public comment:

1. Require poultry companies to be transparent with prospective and current poultry growers about contract terms and the real incomes they are likely to earn.
2. Prohibit deceptive contracting practices used by dominant corporations to take advantage of producers.
3. Define undue practices, undue preferences, and what constitutes harm to competition.
4. A fourth rule is in process, but not yet published, which would limit the use of captive supplies in the fat cattle market.

These rules, once finalized, would end the meat cartels stranglehold over poultry, hog and cattle producers. For the packers, opposition is all about money. However, why is the NCBA in cahoots with packers? All other livestock organizations favor the enforcement of the P&S Act. The NCBA's lame excuse is that these rules are "government mandates" and would encourage litigation. But what if a "government mandate" and litigation is the only way to ever have justice?

If you are outraged about this inside hatchet job to prevent enforcement of the Packers and Stockyards Act, call the House Appropriations Committee and give them a piece of your mind. Then for good measure call your congressmen and let them know how mad you are. Then call your Senators because they are the only ones who can stop this budget rider from becoming law.

Representative Kay Granger
Chair, House Committee on
Appropriations
(202) 225-5071

Representative Rosa DeLauro
Ranking Member, House
Committee on Appropriations
(202) 225-3661

Representative Matt Rosendale
(202) 225-3211
Representative Ryan Zinke
(202) 225-5628

Senator Steve Danes
(202) 224-2651

Senator Jon Tester
(202) 224-2644

WHERE WILL ALL THE COWS GO?

Committee hears testimony on BLM proposal for 'conservation' leases that could slash grazing acres

By: Rachel Gabel, The Fence Post Assistant Editor

Those offering testimony in Washington D.C. with regard to a proposed Bureau of Land Management rule expressed major concern that the Biden administration's burdensome regulations on public lands, including the highly controversial proposed rule entitled "Conservation and Landscape Health" would lack congressional oversight.

The proposed rule seeks to codify and promote the agency's process around designating Areas of Critical Environmental Concern (ACECs), adds an entirely new use to the balance of uses managed under FLPMA, and establishes a new, non-competitive leasing system for conservation.

The big picture Todd Devlin said he aimed to paint for members of the U.S. House Committee on Natural Resources Subcommittee on Oversight and Investigations during the May 24 hearing titled, "Examining the Biden Administration's Efforts to Limit Access to Public Lands" was the conservation rule must have cooperative agency status, it must go through the full-blown EIS, and it must be an amendment to the Resource Management Plan. This would be the only time in history that the Federal Land Policy Management Act (FLPMA) would be rewritten without congressional action.

Devlin, a Prairie County, Montana, Commissioner currently serves as Chairman of the National Association of Counties' (NACo) Public Lands Steering Committee. Devlin told the subcommittee "The proposed rule from the BLM would fundamentally change the BLM's multiple use mandate under FLPMA without the necessary initial input from Congress, state and county governments, private industry, recreationists and other impacted stakeholders. Additionally, this proposed rule would exclude counties from land designation processes, includes vague definitions, and empowers the agency to approve conservation leases without acreage limitations which could limit critical vegetation management and infrastructure maintenance projects on federal lands."

Devlin said the rule will mandate the BLM to manage for preservation rather than meet their multiple use mandate. FLPMA doesn't list uses, but rather laws that were passed by Congress for uses, like the Taylor Grazing Act and the Federal Minerals Act, the Forest Reserve Act. Conservation, though, has not been defined through congressional action.

"Our government was designed to work slowly, to go through the process so we didn't make decisions that were damaging," he said after his testimony. "Our forefathers designed the process that way. Basically what you're doing is giving them Antiquities Act powers by using the Areas of Critical Environmental Concern (ACEC) to protect intact landscapes and that would be defined as conservation and that just doesn't fly."

J.J. Goicoechea, former Nevada state veterinarian and current Director of the Nevada Department of Agriculture, said he has spent his life, just as his father, grandfather, and great-grandfather did – stewarding the lands that today are part of his family ranch and the lands managed by the Bureau of Land Management (BLM) and United States Forest Service (USFS). He said Nevada is often the bellwether for public land rule success – or failure. More than 85 percent of the state is owned or managed by the federal government. The BLM owns or administers more than 63 percent – 48 million acres – of his home

state. The remaining percentage can be attributed to the USFS, National Park Service, Department of Defense, the Bureau of Reclamation, and the U.S. Fish and Wildlife Service.

Goicoechea said the BLM has fundamentally failed to meet their statutory obligations under the regulatory process. In his written testimony, Devlin said the proposed rule was written behind closed doors without the necessary formal input from states, counties or impacted stakeholders. "Proposing a rule with such drastic implications for land and resource management across the West with a 75-day comment period treats the legitimate concerns of states, counties, other intergovernmental partners, and the public as second tier. BLM should withdraw the rule or, at a minimum, extend the public comment period to 180 days."

Goicoechea said the BLM bypassed their responsibility to truly evaluate potential impacts of such actions, eliminated the opportunity for anyone, other than those employed by senior BLM leadership, to meaningfully contribute to the proposal, and reduced stakeholder confidence in the implementation of a final rule.

In his written testimony, he said the BLM has scheduled only five public information sessions and the meeting schedule, coupled with the unidirectional briefing style, has left stakeholders, "some of which will be most impacted by the proposed rule, and federal partners alike with the impression that this process is designed to tell the multiple use community what is happening to them, rather than being an active, transparent, and collaborative partner."

BLM stated that the proposed rule's effects would be "too broad, speculative or conjectural." In his written testimony, Devlin said, "Even a surface-level reading of the proposed rule calls this justification into question, as the issuance of newly established conservation leases or expanded opportunities for the BLM to create areas of critical environmental concern (ACEC) will negatively impact all aspects of land management and the agency's multiple use mandate. Any attempt to rewrite FLPMA implementation in a wholesale manner should be subject to the most thorough environmental analyses, including potential economic impacts, just as the BLM would conduct when studying a specific project's impacts."

He said counties are ready to work with the BLM to better conserve our lands and resources, but counties deserve the chance to formally engage with the federal government from the beginning, especially when the wholesale reimplementing of federal law is in the balance.

FLPMA mandates that ACECs can only be designated when a resource management plan (RMP) is finalized. The proposed rule, however, would grant the BLM the authority to manage proposed lands of unlimited acreage as ACECs without the requirement of an updated RMP. This gives the BLM a new ability to create de facto Wilderness Study Areas of any size without the input of state and county governments by side-stepping the RMP establishment or revision process mandated by FLPMA.

Devlin said the vague definition of "intact landscapes" is defined by the BLM as "an unfragmented ecosystem that is free of local conditions that could permanently or significantly disrupt, impair, or degrade the

landscape's structure or ecosystem resilience, and that is large enough to maintain native biological diversity, including viable populations of wide-ranging species. Intact landscapes have high conservation value, provide critical ecosystem functions, and support ecosystem resilience."

He said this vague and unclear definition, combined with the proposed rule's mandate to analyze landscapes for protection from activities that negatively impact intact landscapes, would encapsulate untold millions of acres around the United States as "intact landscapes" and potentially disrupt necessary actions to make our landscapes and watersheds healthy and resilient.

The proposed rule allows the BLM new authority to grant conservation leases of up to 10 years and unlimited size to tribes, non-profits, individuals and private entities. Devlin said counties and states are excluded from conservation leases despite the work counties engage in to meet mutual goals of improving landscapes and watersheds. Assuring no uses other than conservation could severely limit opportunities to manage landscapes to reduce wildfire and invasive species threats, livestock grazing, infrastructure maintenance and even recreational opportunities on federal lands, while elevating conservation as a use above the rest of these critical aspects of the agency's mandate. This, he said, is in opposition to a decision in the U.S. Court of Appeals for the Tenth Circuit in *Public Lands Council v. Babbitt* that relevant statutes, including FLPMA, do not allow for the issuance of permits "intended exclusively for 'conservation use.'"

Goicoechea said the agency has failed to define what is considered a "compatible" use or an "incompatible" use with an underlying conservation lease. "While the BLM has previously stated they believe grazing is a conservation tool, the rule contains no text that would make the industry confident that this rule is not targeted to remove grazing access. Further, the rule makes clear that uses like hunting, fishing, and recreation, when done with a commercial component – like outfitting, guiding, and other conservation activities – would not be defined as a "casual use" and could be precluded due to the presence of a conservation lease. In sum, the BLM has proposed a system that will be rife for abuse and litigation without consistent standards and application."

He said without access to public lands and the forage and water they provide, cattle and sheep producers in Nevada would not be able to sustain viable operations, putting the national beef and lamb markets at risk of increased volatility. In Nevada alone, he said the result would be \$202.6 million in lost grazing economic activity, \$66 million in lost ecosystem services, and an incalculable loss to the culture, rural communities, and land values across the state.

"The greatest threat to sage grouse, mule deer, trout, and other key species in the state is habitat loss due to fire and invasive species encroachment. Grazing reduces fire risk, particularly in years like this, where ample moisture will result in an explosion of late-season forage. Without grazing, that forage will dry up and become fuel for catastrophic wildfire. Grazing reduces these fuels as part of normal operations, preventing the BLM from applying chemical or other treatments that cost an average of \$150 per acre. The cost savings for acres treated across the West totals billions of dollars annually."

ANNUAL MEMBERSHIP RENEWALS WERE DUE JANUARY 1, 2023. IF YOU HAVE NOT YET RENEWED YOUR DUES, PLEASE COMPLETE THE FORM BELOW OR RENEW ONLINE AT: mca@montanacattlemen.org/Membership

Why should I be a part of MCA?

MCA was formed in the 1950's to represent Montana cattle producers on issues vital to the future of our industry. MCA is a producer-driven, grassroots, all volunteer organization committed to ensuring profitability for you and your family as well as for future generations. Our goal is to effectively address the concerns of Montana cattle producers, both statewide and nationally, and we need your input to continue to do so. Membership numbers enables us to represent you on the Montana Beef Council.

Name: _____

Spouse Name (if joining): _____

Ranch Name: _____

Address: _____

City: _____ County: _____

State: _____ Zip: _____ Phone: _____

Email: _____

Own cattle: ____ Yes ____ No

Tribal member: ____ Yes ____ No

...

Membership Dues:

Cattle Producer ~ \$50 _____

Associate Member ~ \$50 _____

College Student ~ \$25 _____

Junior Member ~ \$25 _____
(Age 18 & younger)

OR ~ Optional Premier Memberships:

Gene Autry level ~ \$100 per year _____

Roy Rogers level ~ \$150 per year _____

John Wayne level ~ \$200 per year _____

Additional Optional Contribution _____

TOTAL AMOUNT SUBMITTED: \$ _____

*Only members owning cattle have voting rights ~ One member—one vote
Associate members do not own cattle but are supportive of MCA goals*

Join online at www.montanacattlemen.org ~ OR ~ mail this completed form along with your check to:

**MONTANA CATTLEMEN'S ASSOCIATION
P.O. Box 536 ~ Vaughn, MT 59487**

Please make copies of this membership form for multiple memberships or to share with your friends and neighbors.

Your continued support of Montana Cattlemen's Association is very much appreciated!



U.S. CATTLE PRODUCERS OPPOSE OPENING BORDERS TO PARAGUAYAN BEEF

The U.S. Cattlemen's Association (USCA) wrote in strong opposition to a proposal by the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (USDA APHIS) to allow the importation of fresh (chilled or frozen) beef from Paraguay.

In its comments, USCA cited several reasons why it opposes the proposed rule, including the need to protect the health of the domestic cattle herd, the estimated U.S. producer market losses, and the lower standards of production in Paraguay.

Specifically, the *Regulatory Impact Analysis* that accompanied the proposed rule estimated that U.S. producers would suffer losses of \$12 million to \$23 million each year due to the increase of Paraguayan beef imports. The risk analysis also fully admits that "...a vaccinated herd may not mean all the animals in the herd are FMD free. This may result in beef from an infected animal being imported."

USCA president Justin Tupper issued the following statement:

"The nearly ten-year gap since the last visit of USDA APHIS staff to Paraguay does not inspire confidence in the strength of the country's animal health and food safety protocols.

"The U.S. has been FMD-free since 1929. An outbreak of the disease in the U.S. would devastate the U.S. cattle and beef industry and significantly strain the nation's food supply. Opening our borders to risky trade is a gamble I'm not willing to bet on. USCA requests the immediate rescission of this proposed rule for all the reasons outlined in our written comments."

For full content: uscattlemen.org/in-the-news



USDA Partners with Agricultural Producers in Montana to Promote Competition, Strengthen Food Supply Chain and Rural Economies

BOZEMAN, Mont., – U.S. Department of Agriculture Rural Development in Montana State Director Kathleen Williams announced today that USDA is making investments to increase independent meat and poultry processing capacity, expand market opportunities for farmers and support a growing workforce in rural areas.

"USDA Rural Development serves as investor, ally, and advocate for rural and Tribal communities, businesses, and families," said Williams. "This investment is a perfect example of our role in supporting both the local and regional food economy as well as our regional lending partners. We are honored to help in this way and many others to build rural and Tribal stability and prosperity."

USDA awarded \$77 million through the Meat and Poultry Intermediary Lending Program (MPILP) in 12 states, including one award for \$15 million to Mountain West Economic Development in Kalispell, Montana. This investment will provide funding so they can support expansion of processing operations across a four-county area (Flathead, Lake, Lincoln, and Sanders) in the Flathead Valley.

The Meat and Poultry Intermediary Lending Program (MPILP) provides grant funding to intermediary lenders who finance the start-up, expansion, or operation of independent meat and poultry processing facilities. To date in fiscal year 2023, USDA has awarded \$186 million to 24 MPILP projects that supported economic growth in 14 states and Puerto Rico.

Today's USDA announcement highlighted 15 awards totaling \$115 million in 17 states, including five awards for \$38 million through the Meat and Poultry Processing Expansion Program (MPPEP) to support independent processors in five states.

Under the Biden-Harris Administration, USDA Rural Development provides loans, loan guarantees, and grants to expand economic opportunities, create jobs, and improve the quality of life in rural and Tribal areas. This assistance supports infrastructure improvements, business development, housing, community facilities such as schools, public safety, and health care, and high-speed internet access. For more information, visit <https://www.rd.usda.gov/>.

All Indications Are That The Beef Checkoff Is Brain Dead

Op-Ed by Gilles Stockton, Montana Cattlemen's Association Director

Controversy and dissatisfaction plague the beef checkoff. Finally, there is a chance to reform this tax. The "Opportunities for Fairness in Farming Act" (OFF Act) is a bipartisan bill which would allow for long needed accountability and transparency.

For many producers, concerns date back to 1996 when the National Cattlemen's Association (NCA) absorbed the Federation of Beef Councils. The Federation consists of the state level beef boards which collect and administer the beef tax in their respective states. What happened in 1996 is that the NCA, a private beef industry association, absorbed the quasi-governmental federation of tax collectors to become the National Cattlemen's Beef Association (NCBA). In this move, the main contractor for the beef tax became the tax collector and the decider of who gets the money.

Under the NCBA, the beef checkoff evolved from being a generally well thought of program promoting the consumption of beef to a "government speech" tax rat hole with limited transparency or accountability. According to an article in Farm Progress: "A 2010 partial audit of the equivalent of nine days of spending found numerous irregularities, requiring the primary checkoff contractor, the National Cattlemen's Beef Association, to return over \$200,000 to the government. These irregularities included improper payment for expenses, including spousal travel, golf tournaments, and prohibited lobbying activity."

A subsequent Freedom of Information request (FOIA) by the Organization for Competitive Markets (OCM) for the full text of the audit resulted in a document that was almost completely redacted. The Department of Agriculture (USDA) whose responsibility it is to oversee the integrity of the beef tax, instead, appear to see their role as one of obfuscation.

Concerns stem from the fact that the NCBA commingles the administrative portion of their checkoff grants with funds earmarked for political lobbying. Their staff splits their time between checkoff related business and lobbying. As the 2010 partial audit showed, the firewall between these two functions is made from porous materials. Consequently, we can't tell when the NCBA is, for instance, lobbying against Country-of-Origin Labeling if they are using their members money or our beef checkoff tax. For 2023 the NCBA awarded itself with 66.7% of the beef tax funds (\$25,720,000). The next largest allocation (\$8,200,000) went to the United States Meat Export Federation. About 60% of the NCBA budget comes from the beef tax.

The other half of the one-dollar checkoff is retained by the state beef boards to be used to promote beef within their state. This year the Montana Beef Council (MBC), has just under one million dollars (\$982,359) to spend. The budget calls for 42.8% (\$428,009) to be spent on administration and salaries. But an additional \$144,000 is sent back

to the NCBA, most of which buys an extra seat on the Federation of State Beef Councils. With this expenditure, administration and salaries come up to \$554,009 (56.9%) of the total.

It gets worse. The MBC also spends \$57,000 on "Producer Communications". The beef checkoff is a tax that we have no choice of paying. So why is the MBC spending our tax money to promote the beef checkoff tax to ourselves? The Internal Revenue Service certainly does not use 5.8% of its budget telling taxpayers what a great job the government is doing with our money! The bottom line is that MBC ends up spending on salaries and administrative type stuff \$611,009, which is 62.2% of what they have.

In addition, the MBC allocates \$135,000 to the US Meat Export Federation (USMEF), which as we saw above is the next largest recipient of the beef checkoff tax after the NCBA. The USMEF is a private organization which promotes beef, pork, and lamb exports. Twenty eight percent (28%) of their budget comes from the beef checkoff tax. The USMEF website claims that its promotion in foreign countries is responsible for a \$447.58 increase in the value of each head of cattle. The USMEF would seem to have us believe that they are solely responsible for all beef exports. Apparently, the dominate four packers which are all huge global corporations, is in the USMEF telling, dependent upon USMEF and checkoff funding to sell tripe, tongue, and liver to foreign customers. That is an improbable assertion. The bottom line is that out of the nearly one million dollars that the MBC has to spend to promote beef consumption in Montana, only \$218,250 actually goes to that purpose.

The above information is admittedly wonky and full of statistics and organizational acronyms. But the reality is that the beef checkoff program is complicated, and it is that complexity which helps to hide mismanagement and fosters the suspicion that the people controlling the beef checkoff are pursuing goals that are not all that clear. At its inception, the main point was to increase per capita beef consumption. By that metric the beef checkoff tax is a failure. In 1985, per capita beef consumption was 81 pounds. Today it is 59 pounds.

Not only is the checkoff program not effective, but the way it is being run is not transparent and administrative costs are excessive. Clearly the program is brain dead. The OFF Act is our chance to rethink the beef checkoff tax. Without Congress's intervention, there will be no other opportunity to reform how the tax is being used - and clearly it is not being used very efficiently. Whether you oppose the checkoff concept all together or would prefer to see it continued in a more efficient transparent manner, the only way that anything can ever happen is by encouraging your Senators and Representatives to pass the OFF Act.

R-CALF USA Joins 102 Groups Urging Congress to Choose Farmers Over Big Meat in Ag Appropriations Bill

June 13, 2023

The Honorable Kay Granger
Chair, House Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member, House Committee on Appropriations
U.S. House of Representatives
Washington DC 20515

Dear Chair Granger and Ranking Member DeLauro:

The 102 undersigned organizations are writing to urge your opposition to any appropriations policy riders to limit the rulemaking authority of the Secretary of Agriculture under the Packers and Stockyards Act. The Packers and Stockyards Act is one of the most important federal statutes for our nation's livestock and poultry farmers and ranchers. It prohibits meatpackers and poultry companies from using their market power to subject farmers and ranchers to anticompetitive, deceptive, fraudulent and abusive business practices, and gives the Department of Agriculture and Department of Justice powerful tools to police this conduct when it occurs.

Although the Act was originally enacted in 1921, its importance is even greater now because of the highly concentrated and vertically integrated nature of the livestock and poultry industries. Over the last fifty years, these industries have seen rampant consolidation due to widespread underenforcement of our antitrust laws. Today, the four largest processors in each sector control 70% of the market for hogs, 62% for sheep and lambs, and 85% for cattle. This has given dominant meatpacking corporations considerable market power and enabled their use of unfair contracting provisions and retaliatory practices that are abusive and harmful to family farmers.

Whether it be a contract poultry grower whose contract is abruptly terminated when they resist taking on overwhelming debt for corporate-mandated facility upgrades, a cattle producer who loses money year after year because the only packer in their market can manipulate the price of beef, or a livestock producer who experiences retaliation after they speak up against a corporation's unfair practices, farmers and ranchers are being driven out of business and off their land across this nation. For decades now, these farmers and ranchers have been demanding that their government take action to ensure that the markets they compete in are fair for everyone.

In response to these widespread concerns, the Biden administration's *Executive Order on Promoting Competition in the American Economy* directed USDA to complete a Packers and Stockyards rulemaking process that truly protects farmers and ranchers. USDA has already completed comment periods on two proposed rules: "*Transparency in Poultry Grower Contracting Tournaments*" and "*Inclusive Competition and Market Integrity Under the Packers and Stockyards Act,*" and is anticipated to issue additional important proposed rules in the upcoming year. The proposed rules already issued would provide critical protections to our nation's livestock producers, including:

- Requiring poultry companies to be transparent with prospective and current contract poultry growers about contract terms and the real incomes they are likely to earn
- Prohibiting deceptive contracting practices used by dominant corporations to take advantage of producers
- Increasing protections against discrimination and retaliation by major meatpacking corporations reported by numerous livestock and poultry producers they sell to or contract with

This is not the first time the packers and processors have used appropriations riders to prevent USDA from addressing their monopoly power. In response to past attempts to secure these desperately needed reforms, these corporations have successfully lobbied Congress to use this back-door approach to block the completion of clear Packers and Stockyards rules. Now these same corporations and their allies are once again using the cover of a 130-page appropriations bill to derail the rulemaking process. Sections 737 and 738 of the House FY24 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations bill prohibit USDA from finalizing its proposed rules, and seek to hobble the USDA's ability to appropriately staff the Packers and Stockyards Division so that it can effectively enforce the Act. To make matters worse, these riders also prohibit the Department from engaging in any further rulemaking before the committee has had the opportunity to consider what the Department may propose.

This rider is an unacceptable attack on the ability of the Department of Agriculture to do its job: protecting American farmers and ranchers and ensuring fair and competitive markets. Instead of carrying water for multinational meatpacking corporations, we urge the House Appropriations Committee to stand with American farmers and ranchers and reject any attempts to limit the Secretary's authority under the Packers and Stockyards Act, or the USDA's capacity to fully and effectively enforce it.

Sincerely,

Signed by 102 national, state, regional and local organizations as well as local farms and businesses

Tester, Cassidy, Grassley, Thune & Stabenow Stand Up for American Farmers by Combating Chinese Dumping

Senators' bipartisan China Trade Cheating Restitution Act would pay back more than \$38 million to producers impacted by China's evasion of anti-dumping duties

(U.S. Senate) – As part of their continued efforts to counter China and stand up for American farmers and agricultural producers, U.S. Senators Jon Tester (D-Mont.), Bill Cassidy (R-La.), Chuck Grassley (R-Iowa), John Thune (R-S.D.), and Debbie Stabenow (D-Mich.) today introduced their bipartisan *China Trade Cheating Restitution Act* to ensure that agricultural sectors most affected by China's evasion on anti-dumping duties receive an estimated \$38.5 million in accrued delinquency interest on duties wrongfully withheld by Customs and Border Patrol (CBP) from 2000-2014.

For two decades, Chinese producers have deliberately exported honey, fresh garlic, crawfish, and mushrooms to the U.S. at a price below the cost of production to purposefully increase their market share and drive Montana, Louisiana, Iowa, South Dakota, and Michigan producers out of business – a practice called “dumping.” The United States placed anti-dumping duties on Chinese producers in 2001 to protect domestic producers and condemn China's unfair actions.

“As a third-generation farmer, I know firsthand that Montana producers grow the highest quality products in the world and do it in a way that consumers can trust,” said Tester. “I won't let our family farmers get cut out of the market by foreign adversaries like China who aren't following the rules. My bipartisan bill will repay our family farmers and domestic producers the money they're rightfully owed while helping ensure we maintain our competitive edge over China for years to come.”

“Crawfish is part of our culture in Louisiana,” said Cassidy. “China has tried to put our crawfish industry out of business by unlawfully dumping their product in the U.S. at prices below the cost of production. This legislation helps Louisiana processors stay competitive despite the harm caused by Chinese dumping.”

“The best agricultural products in the world are grown in Iowa fields by Iowa hands,” said Grassley. “Thanks to our hard-working farmers, the U.S. is the world's top agricultural exporter. China's unfair trade practices have hurt the dedicated individuals who produce quality products in an honest manner. Our bipartisan bill is a necessary measure to restore fairness to international trade and compensate producers who were injured by the Chinese Communist Party.”

“South Dakota is one of the top honey-producing states in the country,” said Thune. “The unfair practice of circumventing U.S. trade laws, which jeopardizes honey producers' financial security, should be met with strict enforcement and increased protections. South Dakota honey producers deserve a level-playing field. This bipartisan legislation helps ensure fair treatment for affected domestic producers and strengthens their ability to compete globally.”

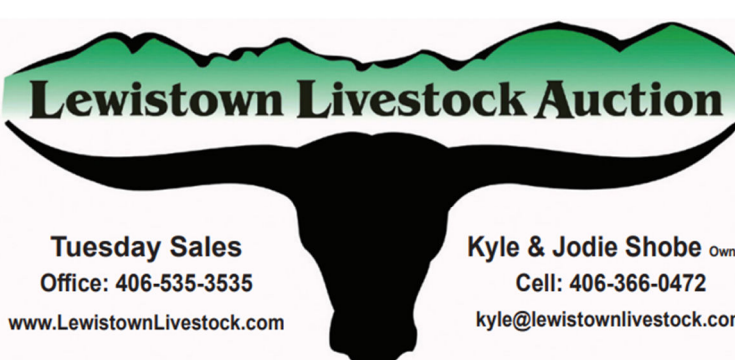
“We grow some of the best products in the world in Michigan, but our farmers can't survive when foreign competitors like China cheat and violate our trade laws,” said Stabenow. “I want to thank Senator Tester for leading our effort to hold China accountable and provide much needed relief for our producers.”

In 2000 Congress passed the Continued Dumping and Subsidy Offset Act (CDSOA), which instructed CBP to pay all collected anti-dumping duties and accrued interest to the U.S. producers that were injured by dumped imports. CDSOA applies to imports that entered the U.S. through September 30, 2007, but due to a range of delays, CBP is still assessing and collecting anti-dumping duties and interest on many of these imports. Since 2000, it is estimated that China has evaded nearly \$1.2 billion in anti-dumping duties on imported garlic, crawfish, canned mushrooms, and honey.

The Senators' bipartisan bill will ensure that CBP distribute remaining anti-dumping duties to honey, garlic, and crawfish producers that were not paid between 2000 and 2014. In order to ensure that US producers of fresh garlic, crawfish, mushrooms, and honey are paid the duties they are owed by CBP under the CDSOA of 2000, the legislation would:

- Require CBP to distribute under CDSOA an estimated \$38.5 million in accrued delinquency interest on the anti-dumping duties that CBP collected and wrongfully withheld.

- Amend the Trade Facilitation and Trade Enforcement Act of 2015 to move the date of interest collected by the CBP to be dispersed from October 1, 2014 to October 1, 2000 to account for substantial interest withheld by CBP beginning in 2000.



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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!



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Your Support Is Appreciated!

Governor Gianforte Blasts BLM's Unlawful Federal Overreach With Conservation Rule

June 26, 2023 - TERRY, Mont. - Governor Greg Gianforte today provided further opposition to a proposed rule by the Bureau of Land Management (BLM) which would alter the use of BLM lands to the detriment of recreation, livestock grazing, responsible resource development, and public access.

The proposed rule seeks to define "conservation" as a use within the Federal Land Policy and Management Act (FLPMA), which requires BLM to manage its lands on the basis of multiple use and sustained yield.

In a letter to Secretary of the Interior Deb Haaland and BLM Director Tracy Stone-Manning, the governor outlines eight reasons the BLM should withdraw its rule, including conflict with existing law and federal overreach.

"The Rule's creation of 'conservation leases' conflicts with the Taylor Grazing Act, Federal Land Policy and Management Act (FLPMA), and Public Rangelands Improvement Act," Gov. Gianforte wrote. "This Rule is nothing more than a revival of the 1995 conservation use rule, already stricken by the courts as unlawful."

The governor continued, "Even if the Rule were founded in law, its terminology and criteria are so ill-defined and lacking in quantifiable metrics that agency overreach is inevitable. The ambiguity manifest in this rulemaking effort will lead to inconsistent, half-hearted implementation at best and controversial, divisive litigation between an over-reaching agency and stakeholders at worst."

Gov. Gianforte also criticized the rule for conflicting with the state's work to address Montana's forest health crisis.

"Montana's forests are emitting more carbon than they capture, the core fire season is 40 days longer than it was 30 years ago, and the forest products industry continues to struggle amid record lumber prices," Gov. Gianforte said. "Over 64 percent of forested lands in Montana are federally owned, and of that federal ownership, 53 percent are not available for active management due to existing use designations."

In addition, the governor raised concerns about the rule enabling BLM to unilaterally establish areas of critical environmental concern (ACEC) and pursue "a heavy-handed land grab."

"This rule allows the BLM to treat an area as an ACEC without any formal land use planning, stakeholder engagement, or public process," the governor stated. "Apart from being legally rife, such an impenetrable, dictatorial procedure is just bad policy."

Furthermore, the governor wrote, "It is unclear under what authority the BLM believes it can pursue land acquisition. More troubling is the BLM's belief that it can prioritize acquisition based on ACECs, rather than other factors, such as whether it can fulfill its multiple use, sustained yield mandate."

Finally, the governor criticizes BLM for excluding the proposed rule from review under the National Environmental Policy Act (NEPA).

"I ask that the BLM reconsider its inconsistent position here, withdraw the rule, and engage with States and stakeholders in a transparent and inclusive NEPA process they deserve," the governor concluded.



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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

