

**NC Logs Unicameral Victories on Manure & Taxes**

NC's top legislative priority during this year's short session of the Nebraska Legislature has been passed. LB975, which makes changes to the state's Livestock Waste Management Act, was passed by the Unicameral and was scheduled to be signed into law today.

NC welcomes the changes as the first step in a move toward risk-based environmental regulations, something lacking in federal livestock rules. Without state-defined, risk-based regulations, smaller operations are at risk of going out of business because they cannot justify the cost of complying with additional regulations, says NC President-Elect Jay Wolf, chairman of NC's Legislative Committee.

"The unintended consequence of the federal one-size-fits-all approach is that hundreds and hundreds of small to medium-sized producers are faced with the choice of spending \$150,000 to \$250,000 just to stay in business – or to get out," he said. "Nebraska needs to get to a risk-based regulation system."

Another key provision of the bill bars a county zoning commission from denying a construction permit to an existing livestock operation, provided the purpose is to comply with state or federal regulations. This state protection against local rejection of permits applies only to moderately sized operations.

It's not available to any facility over 5,000 head. For operations under 3,000 head, it applies only when the permit involves expansion by 500 head or less. For operations currently at 3,000 to 5,000 head, this state protection is extended only to expansions of 300 head or less.

"The bill is not perfect, but without LB975 and subsequent efforts to establish risk-based regulations, many livestock operations will get out of the business," says NC President Pete McClymont. "We'll continue to work with the Legislature and Nebraska's delegation in Washington."

With LB975 signed (NC staff and officers attended a signing ceremony at the Capitol), NC will focus in the Unicameral on passage of LB924, which restricts the use of eminent domain. The bill, which has advanced out of committee, prohibits agricultural land from being designated as substandard, blighted, or undeveloped vacant land. The bill bars a condemner from using eminent domain to acquire property for private economic development.

NC's third remaining priority bill – LB990 – would amend the Nebraska Advantage Rural Development Act to include livestock modernization projects. Eligible projects would receive a tax credit equal to 10 percent

**BILLS: Continued on Page 2**

**NC Seeks To Fill Field Position To Work In Southeast Nebraska**

NC continues to accept applicants for a part-time, home-based position on NC's Member Services staff. The Member Services Department seeks candidates with a strong understanding of the cattle industry to serve members and represent NC in southeast Nebraska.

Besides providing support for local affiliates in NC Regions 7 and 8, duties will include recruiting new members, relaying member concerns to NC staff and leadership, attending affiliate meetings, taking photos at local events, and representing NC at various events in the southeast. The position involves a lot of travel and night/weekend meetings.

This position will work out of the home, and NC is looking for applicants who live in Region 7 or 8. They consist of the following counties: Washington, Douglas, Sarpy, Cass, Otoe, Johnson, Nemaha, Richardson, Pawnee, Gage, Lancaster, Saunders, Dodge, Colfax, Platte, Polk, York, Merrick, Hamilton, Seward, Butler, Saline, Filmore, Jefferson, Thayer, Adams, Clay, Nuckolls and Webster.

Send a cover letter and resume to Lee Weide, Nebraska Cattlemen, 134 S. 13th Street, Suite 900, Lincoln, NE 68508.

## BILLS: continued from First Page

for each \$50,000 of investment in livestock modernization, up to \$300,000. This bill is expected to see floor debate.

Meanwhile, NC is pleased to report that LB804, a school tax bill that had the potential to increase property taxes, was killed in committee. Executive Vice President Michael Kelsey says NC provided the only testimony against the bill. NC was also the only testimony against LBs 1032 and 1089 – school measures that would have raised property taxes, says Kelsey. Both bills look dead for this session.

And a measure to lower property taxes starting in 2007 has made it into the Legislature's tax cut proposal. The measure would lower the assessment percentage on ag land to 75 percent of actual value, from the current 80 percent.

NC is also working on the following:

\* LB1117, which allows mowing and haying of road ditches, has advanced out of committee.

\*LB1076 calls for changes in the Nebraska Environmental Trust Board. These changes grew out of concerns that emerged at last year's NC Midyear meeting..

\* A provision to regulate exotic animal sales, which NC supports as a disease-control measure, has advanced.

## Both Public & Private Sectors Are Moving Ahead With Animal ID; USDA Issues Eartag Rules

Animal ID continues to move forward on two fronts: public and private. In the past couple of weeks, USDA has announced that its national animal ID system has moved into the eartag phase, after a year or so of focusing on premises registration. Also, NCBA's non-profit ID initiative, called the U.S. Animal Identification Organization (USAIO), has announced that it should have its national database up and running this year. The database is built by Microsoft and Dallas-based ViaTrace, and will be managed by USAIO. It seeks to record livestock movement across the country and provide state and federal animal-health authorities a means to track an animal in the event of a disease outbreak.

Meanwhile, at USDA, eartag rules are still in their early stages, but APHIS has set guidelines for eartag manufacturers and distributors, such as evidence of tampering must be detectable, and APHIS will accept only 1 percent failure per year following application.

USDA is focusing first on eartags for cattle and hogs. Animals will have a 15-digit Animal Identification Number (AIN) that begins with "840," which is the country code for the

United States. Before an animal can get an AIN, producers have to obtain a Premises Identification Number (PIN).

At USAIO, data collection is in its first phase – entering livestock data from state animal ID projects. The next phase – allowing producers to input their own data – is expected to begin later this year. For producers to do this, they'll first need a PIN.

USDA has set a 2009 target for its national ID system. But this year, NCBA helped establish the producer-led, non-profit USAIO for a number of reasons, including:

\* Cattlemen need a disease-tracking system well before 2009, in order to maintain foreign and domestic confidence in U.S. beef.

\* An animal industry-managed database can protect the confidentiality of the data better than a government-operated database.

After reading industry comments last summer about confidentiality, USDA secretary Mike Johanns agreed to let the livestock industry manage the database. But he hasn't selected the USAIO database as the official version, and he has indicated that USDA may allow multiple programs.



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## Supreme Court Considers Water Cases

A U.S. Supreme Court decision is expected this summer on how far the federal government can go in enforcing the Clean Water Act.

The court heard arguments last month in the case of John Rapanos, a Michigan landowner who has been fined \$13 million in a 16-year legal battle over a wet field about 20 miles from Lake Huron. Water from Rapanos' 22-acre field flows into a drainage ditch, which flows into a stream and then into a river and then into Lake Huron. Federal regulators argue that this connection to the lake gives them authority to block Rapanos from filling in his low-lying field.

The court combined the Rapanos hearing with that of Michigan developer June Carabell, who wants to develop land that "occasionally retains water." The Army Corps of Engineers says he can't. This case is seen as a significant test of what the government can regulate because the ditch that links the lot to a creek is man-made.

## U.S. Discovers Third Cow With BSE

On March 13, USDA confirmed the third case of BSE in the United States. A veterinarian euthanized a non-ambulatory cow on an Alabama farm, and then sent brain samples to USDA for testing.

The cow is said to be a 10-year old red crossbreed, with apparently some Santa Gertrudis blood. Little is known about the animal except that it was bought at an auction house about a year ago. One year-old calf is said to have died from natural causes. A six-week-old calf was appropriated by USDA for observation and study. USDA says it's the only offspring of a BSE-infected cow to be recovered in this country, so the calf should prove beneficial for research.

The 10-year age of the animal means it was born before the 1997 ruminant-to-ruminant feed ban.

## NC Team Headed To D.C. Issues Update

NC will participate in the annual NCBA Spring Legislative Conference next week in Washington, D.C. All five of NC's Executive Committee members will be attending along with a delegation of NC members. President Pete McClymont will lead the delegation, which will visit every Nebraska congressional office to discuss issues important to the beef industry.

The delegation will also attend briefings at EPA and USDA, with a planned visit to Secretary Mike Johanns office. Topics of discussion will include the 2007 Farm Bill, beef trade (specifically with Japan), environmental regulations, estate tax repeal and endangered species reform.

## Hong Kong Bans Beef From Swift Plant

Hong Kong has suspended beef imports from Swift's Greeley, Colo., plant after a bone shard was found in a shipment. It violates the U.S. agreement with Hong Kong to ship only boneless beef.

Swift called it a "minor quality issue" that "falls within acceptable tolerances under the U.S.-Hong Kong Beef Export Verification program," and expects to have the problem cleared up soon.

A bigger problem may be that Japan took note of the Swift violation and expressed more doubts about the competency and reliability of U.S. meat-processing industry.

## Beef & Wine Tasting Fundraiser Planned

A beef and wine tasting event to raise funds for Nebraska Cattle-Women scholarships will be held 5-8 p.m. April 21 at the Grey Goose Lodge in Ogallala. Local CattleWomen will use this event to show off some of the winning recipes from the 2005 National Beef Cookoff.

Door prizes, including wine and beef, will be awarded, and Vicki Peters will provide entertainment. Tickets are \$20. Contact Kim Schneider (308) 239-4349 or Pam Spurgin (308) 284-6023.

## Upcoming Events

### March

- 23 Harlan County Cattlemen's annual banquet, Harlan County Ag Center, Orleans. Farm commentator and activist Trent Loos, Loup City, Neb., will entertain. For tickets, call Tony at (308) 928-2119.
- 23-24 Nebraska Beef Council board of directors. New presentations, as well as review of FY '04-05. Room A202, Animal Science Complex, UNL East Campus, Lincoln. Starts 1 p.m. Thursday and 8 a.m. Friday.
- 25 York-Hamilton Beef Progress Show, York County fairgrounds.
- 30 Cass-Otoe meeting, 7 p.m. meal, "Cubby's" in Ashland. Pfizer's Tammy Merritt and Plattsmouth veterinarian Scott Lubben will speak on technology for cattle record-keeping. Call Rod (402) 298-8574 or 297-9321.

### April

- 1 Boone-Nance banquet, Broken Bow Arrow Ranch, Fullerton, social 6:00 pm, dinner 7:00 pm. Entertainment: "The Wisenheimer" trio. Contact Ted Jensen (402) 678-3470.
- 2 Cuming County affiliate spring banquet, social 6:00 pm, dinner 7:00 pm, Wisner Auditorium. Contact Deb Hansen (402) 529-6369 or 841-6369.
- 3 Washington County affiliate banquet, Blair Marina. 6 pm social, 7 pm dinner. Entertainer: Dr Joe Jeffries, on "Outhouses." RSVP to Wes Peznick (402) 468-5554. For info: Rick Murmeister (402) 468-5883.
- 5 UNL Integrated Beef/Forage Systems Shortcourse part three in Kearney. Course focuses on year-round grazing strategies through use of crop residues, irrigated pastures and harvested forages in southern Nebraska. Call (308) 696-6710 or-6741.
- 18 NC Board meeting, 9:30 a.m., MARC, Clay Center.
- 22 Elkhorn Valley banquet, Madison County Fairgrounds, 6:00 pm social 7:00 pm, dinner. Contact Jean Reigle (402) 454-2138 or 454-2729.

### June

- 3 Cattlemen's Ball, Midwest Feeding Co., Milford. Country singer/pianist/songwriter Phil Vassar. Tickets: \$65 & \$300 per person. Call (888) 562-3602.

### July

- 2 Eppely Benefit Team Penning, noon, David City.

## Snowstorm Forces Rescheduling Of Events

Monday's snowstorm in much of Nebraska canceled some cattle events that day, and even some later in the week. Some were immediately rescheduled; others are still pending.

A summary of new dates:

- \* Benoit Angus, Manhattan, Kan., 1 p.m. this Sunday, March 26
- \* Summitcrest bull sale, Broken Bow, noon March 30
- \* Smith Angus, Bassett Livestock Auction, 1 p.m. March 31
- \* Quirk Land & Cattle, Hastings, 12:30 p.m. April 2
- \* Beef 706, UNL's three-day introductory course in cattle carcasses and grading, likely to be rescheduled for August.
- \* Burwell and Central Affiliate meetings scheduled for March 20-21 have been postponed to later dates yet to be determined.

## Next Newline: April 19

Newline is published by the Nebraska Cattlemen,  
134 S. 13th St., Suite 900, Lincoln, NE 68508-1917.  
Newline questions? Call (402) 475-2333.

# Holdrege Is Site Of This Year's NC Midyear Meeting Set For June 8-9

Although it's only March, it's not too soon to be thinking about NC's Midyear Meeting June 8-9 in Holdrege. NC president and Holdrege feeder Pete McClymont reminds members that lodging is limited in the area, so make your motel reservations early.

He says the Super 8 Motel (308-995-2793 or 800-800-8000) and the Plains Motel (308-995-8646 or 800-340-8000) have agreed to hold an NC block of rooms until May 18. The Wingate Inn in Kearney (308-237-4400) is holding an NC block until May 11.

McClymont also recommends contacting the Das Gasthaus Bed & Breakfast in Hold-

rege (308-995-2440), Uncle Sam's Hilltop Lodge in Funk (308-995-5568) and the Clifton Classic Bed & Breakfast in Loomis (308-876-2187).

Midyear kicks off with an 11 a.m. meal for golfers on Thursday, June 8 at the Holdrege Country Club. Around 5:30 p.m. -- after the four-person scramble on the 18-hole golf course -- the country club will be the site of a steak feed for golfers and non-golfers. The Phelps-Gosper affiliate is this year's host.

Business meetings begin the next day for NC, Nebraska CattleWomen and the NC Research & Education Foundation in the

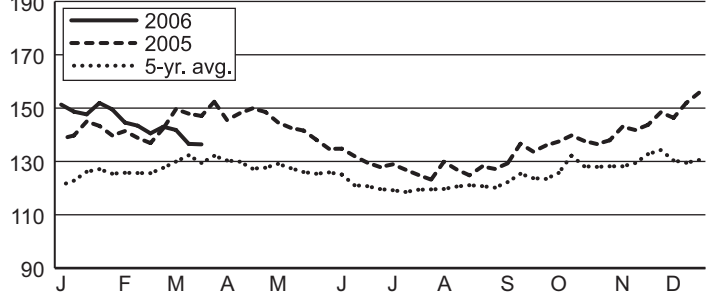
air-conditioned Holdrege Middle School. NC's six policy committees will meet: Taxation, Brand, Marketing, Education, Natural Resources and Animal Health.

Midyear business will wrap up with a general membership session in the afternoon, followed by a beef and wine fundraiser in the evening, similar to the event held last June at North Platte.

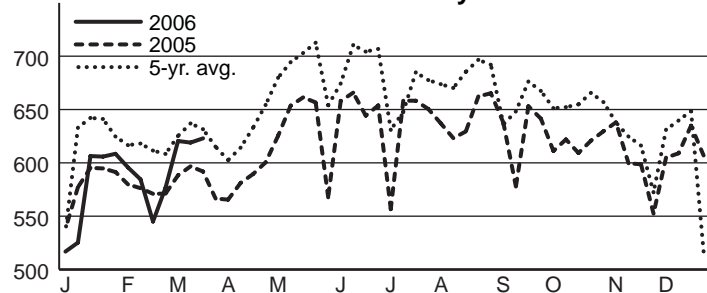
Midyear registration will be available at 7 a.m. Friday June 9 at the school, while pre-registration will be available next month in *Newsline* and on-line at [www.nebraska-cattlemen.org](http://www.nebraska-cattlemen.org).

## A Look at the Market

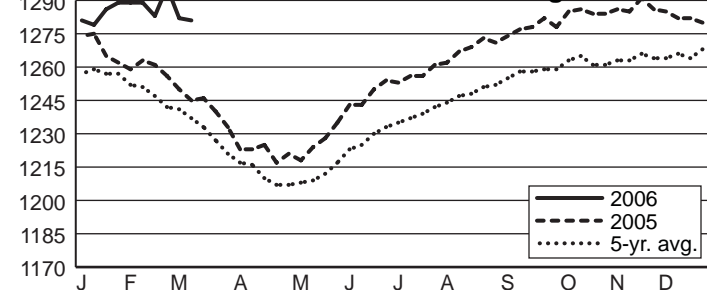
**USDA Nebraska Dressed-Steer Price**



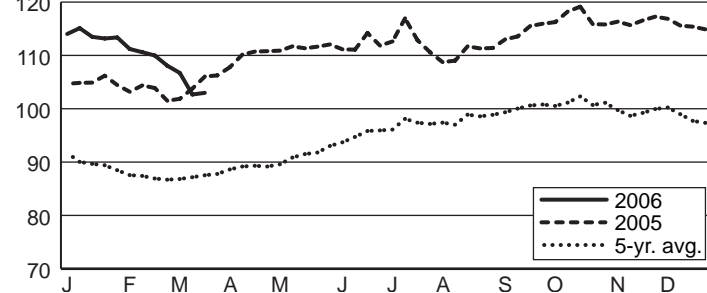
**USDA Weekly Cattle Harvest**



**USDA Harvest Weight**



**CME Feeder-Cattle Index**



## 8,000 Cattlemen To Be Surveyed As Part Of Settlement Of Checkoff Litigation

A formal settlement has been reached and filed in federal court to end the Livestock Marketing Association's challenge of the Beef Checkoff.

It releases all the claims against the defendants -- USDA and the Cattlemen's Beef Board -- in return for a survey of at least 8,000 cattle producers on their attitudes toward the \$1-per-head checkoff. The agreement -- signed by USDA, CBB and the LMA -- ends the litigation that culminated with last May's Supreme Court ruling upholding the checkoff.

As an official "intervenor" in that lawsuit, NC also signed the settlement agreement, which was then filed in federal court in South Dakota, where the litigation began.

USDA, CBB, LMA and the Federation of State Beef Councils plan to draw up the survey jointly. It's being called the largest-ever producer survey about the checkoff.

LMA sued USDA to force a producer referendum on whether to keep the checkoff. The settlement stipulates that survey responses shall not constitute a request for a referendum, and the settling parties can't use the survey to claim that USDA is required to hold a referendum.

## Beef Price Lawsuit Set For Trial

Trial is scheduled to begin in South Dakota on April 3 on charges that the four largest U.S. beef packers profited at cattlemen's expense in spring 2001 when USDA reported incorrect boxed-beef prices.

Federal judge Charles Kornmann of Aberdeen has certified the lawsuit -- originally brought by three cattle producers -- as a class action, meaning the trial will be held on behalf of all U.S. producers who sold cattle to the defendants between April 2 and May 11, 2001.

The lawsuit alleges that during the misreporting period -- which began when USDA switched to Mandatory Price Reporting -- the beef prices that packers reported to USDA contained substantial errors that underreported the price the packers were actually getting. Cattlemen sued, alleging that the erroneous beef prices were used by the defendants to depress cattle prices.

## Norfolk Livestock Market Changes Owners

Changes are planned at the Norfolk Livestock Market by its new owners. The *Norfolk Daily News* reports that renovation of the pens and main building is planned, along with a move to a six-day sales schedule from the current four. The Jim Barta family of Fremont bought the Norfolk auction house from the Don Balfany and the Emrich family.

Manager Bart Koinzan of Neligh says the market hopes to attract livestock beyond the current 70-80 mile radius around Norfolk.