



Working for Nebraska Beef Producers  
**PASTURE TO PLATE**

October 6, 2021

### Affiliate Meeting Talking Points

#### Federal Legislative

**30x 30 Initiative or America the Beautiful:** The Biden administration, through Executive Order, announced their goal to conserve 30% of U.S. lands and water by 2030. Their initial implementation report issued in May leaves many questions to be answered on how they plan to move forward with this initiative. Until we know more, we are monitoring this initiative closely – in addition to our active conversations with folks in D.C.

**Cow Tax:** Rep. Mullin (R-OK) published an opinion piece criticizing the federal budget reconciliation bill and asserting it includes a methane emissions fee on agricultural. He goes on to state that this fee will cost “\$6,500 per dairy cow, \$2,600 per head of cattle, and \$500 per swine each year.” This is not accurate. The current draft of the House budget reconciliation bill does not include any fee or tax on methane emissions from agriculture. It does, however, require the imposition of a fee on methane from petroleum and natural gas systems. The energy provision falls under the jurisdiction of the House Energy & Commerce Committee, on which Rep. Mullin serves, but does not pertain to agricultural emissions.

**Waters of the United States (WOTUS):** The Biden administration has indicated they intend to rewrite the current definition of WOTUS. Nebraska Cattlemen supports the current Navigable Waters Protection Rule (NWPR). It pulled back federal jurisdiction from ephemeral tributaries and isolated features while providing much-needed clarity related to agriculture exemptions. We submitted comments on a pre-proposal request from the Administration, asking them to do no harm to the current NWPR clarifications.

**HAULS Act:** Senator Fischer reintroduced the HAULS Act this Congress. The bill currently is included in the Infrastructure Investment and Jobs Act and has passed the Senate but is stalled in the House. If the infrastructure bill would pass, the inclusion of the HAULS Act would:

- a. Eliminate the requirement that ag and livestock hours-of-service (HOS) exemptions apply only during state-designated planting and harvesting seasons.
- b. Amend and clarify the definition of “agricultural commodities” based on feedback provided by agriculture and livestock organizations.
- c. Authorize a 150 air-mile exemption from HOS requirement on the destination side of a haul for ag and livestock haulers.

**USDA-RFI Packing Capacity:** In June, Secretary Vilsack announced \$500 million dollars towards funding to expand small, medium, and independent meat processing plans. Our comments focused on including existing efforts for expansion/retroactive qualification for funds, prioritization of small to medium and independent processors for guaranteed financing, grants and technical assistance, the need to provide funding for programs to develop business plans and expand training programs. We also emphasized intensified focus on reforming immigration programs to be more beneficial to farmers, ranchers, feeders and processors, and a call for research and development funding for meat processing automation.

**Repeal of Stepped-up Basis:** Preserving the stepped-up basis tax provisions is critical to giving the next generation of farmers and ranchers the ability to conserve the land that has been in their family for generations and carry on the family businesses. If the repeal occurred, the economic impact on family farms would cause an immediate, one-time tax liability equivalent to 280 percent of the farm’s annual income upon the death of the owner. This would decrease the US GDP \$10 billion annually or \$100 billion over ten years. The impact on jobs would reduce job equivalents by approximately 80,000 jobs in each of the first ten years, and 100,000 jobs each year thereafter. This is a situation we are watching closely as it

• 4611 Cattle Drive • Lincoln, NE 68521-4309

Phone: (402) 475-2333 • Fax: (402) 475-0822 • [nc@necattlemen.org](mailto:nc@necattlemen.org) • [www.nebraskacattlemen.org](http://www.nebraskacattlemen.org)



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further develops. The repeal of stepped-up basis is currently not in the mark-up version of the bill from the House Ways and Means Committee.

**Immigration:** We continue to hear from members and supporting industries that labor recruitment and retention remains a challenge in their businesses. H-2A workers can fill this need and help bring stability back to the cattle supply chain, but it needs to be a year-round program with no cap. The program must also be accessible and workable for livestock producers and processors alike. NC continues to work with Nebraska's congressional delegation on workable ways to reform this immigration labor program.

**LMR:** On September 30<sup>th</sup>, Congress passed a continuing budget resolution to avoid a government shutdown. The measure will temporarily extend authority for the Livestock Mandatory Reporting program through December 3<sup>rd</sup>. NC will continue to work with Nebraska's congressional delegation to make sure LMR authorization does not expire.

**Cattle Market Policy: Cattle Market Transparency Act of 2021** –Senator Fischer reintroduced the Cattle Market Transparency Act this Congress; this bill will: 1) Establish regional mandatory minimum thresholds of negotiated cash and negotiated grid trades to enable price discovery in cattle marketing regions. 2) Require USDA to create and maintain a publicly available library of marketing contracts with packers. 3) Mandates that a packer report to USDA the number of cattle scheduled to be delivered for slaughter each day for the next 14 days. 4) Prohibits USDA from using confidentiality as a justification for not reporting LMR information.

**NCBA'S Triggers Framework Q1:** Tripped a major trigger due to a combination of minor triggers being tripped. Q2) No triggers were tripped. This means that if one more quarter fails in 2021, NCBA will be obligated to pursue a regulatory or legislative intervention to address cattle market concerns – per their policy.

**LCM Working Group:** A new directive was passed in the NCBA Live Cattle Marketing Committee at the 2021 NCBA Convention to form a market information, transparency, and reporting working group to provide recommendations at the NCBA Convention in February 2022. They will address the following issues: LMR confidentiality, cattle contract library, captive supply, academic research, and reporting thresholds.

## State Legislative

### **Redistricting:**

The Nebraska Legislature completed its constitutional redistricting duties and wrapped up its special session with *sine die* adjournment on September 30<sup>th</sup>. Of interest to our members - Legislative District 36, currently represented by Senator Matt Williams of Gothenburg, was relocated to west Omaha. Counties in the district were divided between Districts 41, 43, and 44.

**Nebraska Brand Committee Changes:** The Nebraska Brand Committee is alerting cattle producers in the inspection area that two changes will be happening this fall. These changes in legislation were passed this year in the Unicameral. The changes include a provision requiring a 48-hour notice for an inspection on sites other than livestock auction markets; this will make the best use of the inspector's time and travel when required. If you do not notify 48 hours in advance, a \$50 surcharge will be applied to the inspection cost. This will go into effect on September 1<sup>st</sup>, 2021. The second change included in the legislation was reducing the per head inspection fee to \$.85 per head. This fee will be taking effect on October 1, 2021.

## SAVE THE DATE

- October 7- Dawson County Affiliate Meeting
- October 12- NC Board Meeting, Lincoln office
- October 13- Young Nebraska Cattlemen-Lincoln Affiliate - NC office
- October 27- NC PAC Cornhole Tournament - Axtell

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