



# TEXAS CATTLE FEEDERS ASSOCIATION

## NEWSLETTER

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**NCBA Has Gone To Court To Challenge EPA's Recent Endangerment Finding** rule on greenhouse gas (GHG) emissions. The petition NCBA filed, as part of a coalition of interested parties, is the first step in asking the Washington, D.C. Circuit Court of Appeals to overturn EPA's rule due to a lack of a sound or adequate basis for making the finding of endangerment from anthropogenic GHGs.

Meanwhile, there are indications that Congress might act to slow down the pace of the Obama Administration's movement on environmental regulation. (See article below.)

TCFA and NCBA are concerned that the EPA endangerment finding, which is not based on rigorous scientific analysis, will trigger a cascade of future GHG regulations with sweeping impacts across the entire U.S. economy. "Why the Administration decided to move forward on this type of rule when there's so much uncertainty surrounding humans' contribution to climate change is perplexing," said Tamara Thies, NCBA's chief environmental counsel.

The endangerment finding does not in and of itself regulate GHGs, but it is a critical step in the process under the Clean Air Act (CAA). The rule provides the foundation for EPA, for the first time, to regulate GHGs from small and large sources throughout the economy, including farms, hospitals, office buildings and schools. For example, because of this rule, EPA will be able to tell agriculture operations that they can only emit a certain level of GHGs; if they go over the limit, they can incur severe penalties and be forced to curtail production. The rule also sets the stage for citizen suits against large and small businesses that are the backbone of the U.S. economy. In addition, increased energy costs associated with this ruling will be devastating for agriculture and the public as a whole.

"Instead of letting the issue of climate change, and man's alleged contribution to it, be addressed through the proper democratic legislative process, EPA has decided to trump Congress and mandate GHG regulation under the Clean Air Act," said Thies. "The Act is ill-equipped to address climate change, and Congress never intended for it to be used for that purpose."

Under the rule, EPA defined air pollution to include six greenhouse gases and stated that manmade greenhouse gases endanger public health and the environment.

"As was evident during difficult negotiations over the past two weeks in Copenhagen, other countries around the world like China and India are unwilling to tie the hands of their economic engines and impose these kinds of costs on their citizens," said Thies. "This unilateral move by the EPA jeopardizes our ability to remain competitive in the global marketplace."

"Climategate' revealed that the data on which the EPA relied to make this finding is questionable and may have been manipulated to tell a story that global warming alarmists wanted to tell," said Thies. "The fact that the EPA is ignoring this scandal is not going to make it go away."

According to the EPA, in 2007, GHG emissions from the entire U.S. agriculture sector represented less than 6% of total U.S. GHG emissions, and the livestock industry emitted only 2.8%. At the same time, land use, land use change, and forestry activities resulted in a net carbon sequestration of approximately 17.4% of total U.S. carbon dioxide emissions, or 14.9% of total U.S. GHG emissions.

For more information, go to

<http://www.beefusa.org/NEWSEPAGreenhouseGasRulingCouldbeDevastatingtoAgriculture39958.aspx>.

**A One-Year Suspension Of New Greenhouse Gas (GHG) Regulations** is mandated in an amendment the U.S. Senate will vote on soon, the *Wall Street Journal* reports.

The *Journal* says that Senate Majority Leader Harry Reid (D-Nev.) agreed to allow a vote on the Republican-sponsored amendment as part of a deal to increase the nation's debt limit. U.S. Senator Lisa Murkowski (R-Alaska), the ranking member of the Energy and Natural Resources Committee and the amendment's chief sponsor, said the amendment is already receiving support from some Democrats.

Earlier this month, Republican leaders indicated they were prepared to block action by the Administration on GHG regulation by preventing funding for such work or by voting on a "disapproval resolution."

Meanwhile, the *London Times* reports several senior Senate Democrats are "imploring" President Obama to postpone or even abandon his cap-and-trade proposal. The Democrats are said to fear heavy losses in the 2010 elections if cap-and-trade advances.

**Taiwan Is Apparently Backtracking On The Recent Agreement** that significantly expanded market access for U.S. beef.

In a vote scheduled for Jan. 5, Taiwan's parliament is expected to approve a proposal that would exclude ground beef and offal from the list of importable U.S. beef products. Some media accounts indicate that bone-in products could also be prohibited.

Taiwanese lawmakers' citing of BSE as a concern drew a strong rebuttal from USDA and the Office of the U.S. Trade Representative (USTR). In a joint statement, USDA and USTR said the restrictions Taiwanese lawmakers are considering "do not have a basis in science or fact and thus in no way serve to protect Taiwan's food supply." The statement also pointed out that U.S. standards for beef safety are consistent with OIE guidelines for minimizing BSE risks, and that U.S. officials had previously given Taiwan "all information necessary" for a full evaluation "in preparation for the (Taiwanese) Department of Health's final risk assessment, which determined that U.S. beef and beef products are safe."

The joint statement also said that if new restrictions are now passed, it "would constitute a unilateral abrogation of a bilateral agreement concluded in good faith by the United States with Taiwan just two months ago. The Taiwan authorities should consider very carefully the impact that passage of the amendment in its current form would have on Taiwan's reputation as a reliable trading partner and responsible member of the international community."

To read the full USDA/USTR statement go to

[http://www.usda.gov/wps/portal/!ut/p/s.7\\_0\\_A/7\\_0\\_1OB/.cmd/ad/.ar/sa.retrievecontent/c/6\\_2\\_1UH/.ce/7\\_2\\_5JM/p/5\\_2\\_4TQ/th/J\\_2\\_9D/s.7\\_0\\_A/7\\_0\\_1OB?PC\\_7\\_2\\_5JM\\_contentid=2009/12/0629.xml&PC\\_7\\_2\\_5JM\\_parennav=LATEST\\_RELEASES&PC\\_7\\_2\\_5JM\\_navid=NEWS\\_RELEASE](http://www.usda.gov/wps/portal/!ut/p/s.7_0_A/7_0_1OB/.cmd/ad/.ar/sa.retrievecontent/c/6_2_1UH/.ce/7_2_5JM/p/5_2_4TQ/th/J_2_9D/s.7_0_A/7_0_1OB?PC_7_2_5JM_contentid=2009/12/0629.xml&PC_7_2_5JM_parennav=LATEST_RELEASES&PC_7_2_5JM_navid=NEWS_RELEASE).

Concerned about how the situation might affect relations, Taiwan's President Ma Ying-jeou will send a delegation to the U.S. no later than next week, *Meatingplace.com* reported. The action of Taiwan's parliament amounts to a repudiation of Ma's decision in October to allow in more U.S. beef products.

**TCFA Chairman Mike Engler Was Quoted This Week In *USA Today*** as the paper continues a lengthy examination of food safety issues. The latest article in the series focused on possible ways of strengthening food safety in the National School Lunch Program.

In describing methods used in animal agriculture to address concerns about pathogens, *USA Today* noted that, in the United States, the focus has been on technological solutions after harvest, such as anti-microbial dips, disinfecting sprays and testing. Engler explained that, when determining where safety systems would be most cost-effective, "the packing plants made the most sense" as there are only approximately 50 processing plants compared to thousands of feedyards.

To read the full article, go to [http://www.usatoday.com/news/nation/2009-12-29-school-food-safety-standards\\_N.htm](http://www.usatoday.com/news/nation/2009-12-29-school-food-safety-standards_N.htm).

**How Much Could Raising The Ethanol Blend Limit Cost The U.S. Government?** That is a question two lawmakers want the Government Accountability Office (GAO) to answer. *The Food & Fiber Letter* reported that U.S. Reps. Joe Barton (R-Texas) and Greg Walden (R-Ore.) are concerned that automakers' warranties may be voided if gasoline with more than 10% ethanol is used and that higher ethanol blends could also damage engines in lawn mowers, boats, chain saws and small tractors.

A letter the lawmakers wrote to the GAO says Congress might consider "whether the federal government should assume liability for costs associated with increasing ethanol blends. ...It is imperative that Congress have some measure of the potential costs of infrastructure and liability risks, should higher blends be mandated."

EPA recently announced that it will postpone until mid-2010 a decision on whether to raise the blend limit.

**Market Access For U.S. Beef In South Korea Is Improving**, USMEF's CEO Phil Seng said following a recent overseas trip. Seng said U.S. beef now has a 25% share of the South Korean market, compared with 15% last year.

Intensive marketing efforts and an improving economy are boosting the growth of U.S. beef's market share. Normalized inventory levels also are "allowing for more chilled [beef] to go into the market," he said. "Where we made inroads last year was into the retail [market]. Now we're seeing ourselves much more into the foodservice [market], and that accounts for 65% of imported product."

**Nutrition Labeling Of Major Cuts Of Single-Ingredient Raw Meat And Poultry Products** would be required under a rule proposed by USDA-FSIS. The agency is seeking public comments, which must be received by Feb. 16. For more information on the proposed rule and the comment process, go to <http://www.usda.gov/wps/portal/!ut/p/.s.7.0.A/7.0.1RD?printable=true&contentidonly=true&contentid=2009/12/0623.xml>.

The *Federal Register* filing can be read at <http://www.fsis.usda.gov/OPPDE/rdad/FRPubs/2005-0018.pdf>.

**A California Law Requiring Warning Labels For Meat Products Has Been Struck Down** by a state appeals court. California's Fourth Appellate Court has ruled that the Federal Meat Inspection Act (FMIA) preempts the state law known as Proposition 65. The ruling stemmed from a case brought by the American Meat Institute and the National Meat Association. For more information, go to <http://www.meatami.com/ht/display/ArticleDetails/i/56118> and <http://nmaonline.org/pdf/prop-65-decision.pdf>.

**A New Extension To The Federal COBRA Subsidy Has Been Signed Into Law By President Obama.** *The Employment Law Post* reports that the extension increases the total allowable time an individual can receive the COBRA subsidy by six months, from nine to 15 months. The legislation also provides the subsidy to individuals who are involuntarily terminated between Jan. 1, 2010, and Feb. 28, 2010. Additionally, the legislation allows certain individuals whose subsidy periods already expired and who failed to pay their full unsubsidized premiums to retroactively pay them.

To read more about the legislation's implications for employers, go to <http://employmentlawpost.com/hrnews/2009/12/28/cobra-subsidy-extension-legislations-effect-on-employers/?HLR>.

**Happy New Year!** TCFA offices will be closed tomorrow (Jan. 1). *Newsletter* is being sent out one day early this week due to the holiday schedule.

Please note: All links are still available at <http://www.tcfa.org> under This Week's Newsletter links.