



# TEXAS CATTLE FEEDERS ASSOCIATION

# NEWSLETTER

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**USDA Issued Its Final Rule For COOL Implementation** this week. The rule takes effect on March 16, 2009. The final rule makes implementation less burdensome by providing additional labeling flexibility and reducing recordkeeping and retention requirements for producers, processors, and retailers. COOL documentation can be satisfied with normal business records, an NAIS-compliant ID or a producer affidavit, provided the individual has firsthand knowledge of the origin of an animal. Furthermore, the rule clarifies that visual inspection of an animal to verify the existence or lack of a foreign import brand, tattoo or tag constitutes firsthand knowledge of an animal's origin and can be used to support a producer affidavit. Such records must be maintained for one year after the transaction.

Last fall, TCFA worked with several other livestock industry groups to develop standardized documents for relaying origin information through the marketing chain. Go to <http://www.tcfa.org/COOL/COOLupdate01-16-09.pdf> for those documents. The rule is available at [http://www.tcfa.org/COOL/COOL\\_Final\\_Rule2009.pdf](http://www.tcfa.org/COOL/COOL_Final_Rule2009.pdf), and TCFA encourages members to continue to use them in conjunction with visual inspection. TCFA and NCBA will continue to monitor implementation of the rule.

**Corn Stocks Larger Than Expected:** The WASDE, Corn Supply and Demand table delivered quite a shock to the market on Monday as the production estimate increased 81 million bu. due to a 400,000 acre increase in harvested acres. The World Board also lowered usage rate estimates. Feed usage was lowered 50 million bu. Food, seed and industrial usage was reduced by 135 million bu. with 100,000 million bu. coming out of projected ethanol production and 35 million bu. coming out of corn sweeteners. The export sales estimate was lowered by 50 million bu. In total, projected ending stocks are now estimated at 1.79 billion bu., an increase of 316 million bu. As a result, the estimated average annual farm price was reduced by 10¢ per bu. to a range of \$3.55 to \$4.25.

**The 81st Session Of The Texas Legislature** convened on Tuesday with a new leader in the House of Representatives. Rep. Joe Straus (R-San Antonio) was elected by acclamation as Speaker. TCFA congratulates Speaker Straus on his election and looks forward to working with him, Lt. Gov. David Dewhurst (the presiding officer of the Texas Senate) and Gov. Rick Perry during this session of the Legislature. Speaker Straus and Lt. Gov. Dewhurst have yet to announce their choices to chair the various House and Senate committees.

Like most recent sessions of the Texas Legislature, this one will devote much time and debate to the state's biennial budget, school funding, property taxes, transportation and eminent domain. However, Texas Comptroller of Public Accounts Susan Combs estimates that, due to hurricane recovery costs and global economic factors, the state's general revenue for the 2010-2011 biennium will be approximately \$77 billion, or \$9 billion less than the previous two years.

**TCFA's Board Of Directors Met Jan. 13** and took the following actions: (1) Approved a resolution for NCBA's Annual Convention opposing efforts in Congress to eliminate an employee's right to secret ballots during any attempts to unionize agricultural operations, (2) Approved 2009 goals from TCFA Committees, (3) Accepted the annual audit report and (4) Heard reports from 2008 TCFA Leadership Program participants Richard Chumley and Luke Thrasher.

**EPCRA Reporting Of Ammonia And Hydrogen Sulfide:** Forms developed by TCFA and NCBA were distributed and discussed with Feedyard Members this week to report air emissions in response to a new EPA rule effective Jan. 20. In the rule, EPA provided an exemption from the "Superfund" law but required reporting of ammonia and hydrogen sulfide to local and state emergency management officials under the Emergency Planning and Community Right-to-Know Act (EPCRA).

TCFA worked with NCBA and other state affiliates to obtain a full exemption from both Superfund and EPCRA. But EPA said the decision to require reports under EPCRA was made as a result of requests from local and state entities that were filed during the comment period on the proposed rule. “An exemption from Superfund is helpful, but it is unfortunate that EPA ignored the legislative intent of EPCRA, which is intended to handle real emergency releases,” said Ben Weinheimer, TCFA Vice President. “Low-level, continuous and naturally-occurring emissions of ammonia and hydrogen sulfide do not merit any type of emergency response and these reports place an unnecessary burden on local and state entities and feedyards.”

To minimize the burden, TCFA developed a simple reporting form and process for feedyards to comply with the phone and written reports by Jan. 20. Contact Weinheimer at [ben@tcfa.org](mailto:ben@tcfa.org) for more information.

Note: The EPCRA requirements are not related to the so-called “cow tax” that has been in the news lately. As TCFA reported in the Dec. 5, 2008 *Newsletter* (<http://www.tcfa.org/Newsletter/2008-12-05.pdf>), that issue involves EPA’s Advanced Notice of Proposed Rulemaking on Regulating Greenhouse Gases under the Clean Air Act.

**The Fight Against Fever Tick Infestation** in South Texas will get a \$4.9 million infusion of emergency funds from USDA, Texas Ag Commissioner Todd Staples has announced. The additional money was made available by a USDA transfer of Commodity Credit Corporation funding within APHIS. State Veterinarian and TAHC Executive Director Dr. Bob Hillman said the funds “will help provide personnel, equipment and supplies to continue the fight to control the current outbreak of fever ticks, which has encroached into Webb, Dimmit, Maverick, Zapata and Starr counties.” The infestation has left more than 100 Texas ranches under quarantine, and Hillman said failure to eradicate the fever tick could allow further spread of the pest, which has historically reached coast to coast and as far north as Maryland and Pennsylvania. TCFA, TSCRA, NCBA and other organizations have been working for the past several months to obtain this funding.

**The First Ever Panhandle Emergency Management Conference** held this week in Amarillo brought together more than 400 elected officials and representatives of emergency management, public health and agriculture to review and discuss preparedness for natural and man-made disasters. TCFA leadership and staff have worked with the participating state, regional and local agencies on planning response strategy for potential foreign animal disease events, should they ever occur in the area. TCFA co-sponsored the Conference. Some quotes of interest:

- Don Powell, former chairman of FDIC and head of Gulf Coast rebuilding following hurricanes Rita and Katrina said, “People are more important than rules and regulations and more important than property...don’t hide behind bureaucratic process or procedures—do what is right.”
- “After the U.K. FMD outbreak, it became very clear to us that the foreign animal disease plan in place for Texas was not sufficient,” said Dr. Bob Hillman, state veterinarian and executive director for the Texas Animal Health Commission. “We have made great strides the past several years to improve our plans and systems that are in place for responding to a foreign animal disease.”
- “Animal disease threats can come to us in many forms, and the key to controlling the spread of disease is early detection, response and surveillance. Timely and accurate diagnostics are a critical part of this process,” said Dr. Tammy Beckham, director of the Texas Veterinary Medical Diagnostic Laboratory.

**In The Ongoing Dispute With The EU** over the use of hormones in U.S. beef production, the office of the U.S. Trade Representative (USTR) is modifying its list of EU products subject to additional duties under WTO settlement rulings. The modifications, effective March 23, add and remove from the list of products targeted, according to *Meatingplace.com*. The USTR announcement drew promises of a challenge from the EU. For more information about the USTR action, including the *Federal Register* posting, go to [http://www.ustr.gov/Document\\_Library/Press\\_Releases/2009/January/USTR\\_Announces\\_Revised\\_Trade\\_Acti\\_on\\_in\\_Beef\\_Hormones\\_Dispute.html](http://www.ustr.gov/Document_Library/Press_Releases/2009/January/USTR_Announces_Revised_Trade_Acti_on_in_Beef_Hormones_Dispute.html).

**Progress Toward Cellulosic Ethanol** could get a boost from USDA, according to *Feedstuffs*. Ag Secretary Ed Schafer expects USDA to approve its first loan guarantee for a commercial-size cellulosic ethanol

plant soon. Range Fuels has broken ground in Soperton, Ga. for a facility projected to eventually produce 100 million gal. of fuel annually using wood chips. Schafer said USDA is “rushing its regulations” to get the loan guarantee through. The loan program was authorized in the new farm bill.

**Vegetarianism Among Children** is at a rate of one out of every 200 U.S. people under the age of 18, according to a recent CDC report. In its coverage of the report, the *Associated Press* quoted vegetarians who said animal welfare, not health, is what motivates most child vegetarians. However, NCBA points out there are health-related reasons to be concerned about meatless diets for children. Lean beef is a naturally rich source of several nutrients important to cognitive development and functioning including iron, zinc and vitamin B12. Beef’s ability to provide the high quality protein necessary in the diet of growing boys and girls also must not be overlooked.

**FDA Has Issued A Final Guidance** for industry on regulation of genetically engineered (GE) animals under the new animal drug provisions of the Federal Food, Drug and Cosmetic Act (FFDCA). The guidance, titled “The Regulation of Genetically Engineered Animals Containing Heritable rDNA Constructs,” clarifies the FDA’s statutory and regulatory authority and provides recommendations to producers of GE animals to help them meet their obligations and responsibilities under the law. For more on the guidance, go to <http://www.fda.gov/cvm/GEanimals.htm>.

**TCFA Has Received Member Requests** for more information about President-elect Obama’s Cabinet nominees, including the status of the confirmation process for each individual nominee. To keep up to date, go to <http://lostintransition.nationaljournal.com/2008/12/transition-bios.php> and [http://innovation.cq.com/projects/cabinet\\_nominee](http://innovation.cq.com/projects/cabinet_nominee).

**Save the Date:** TCFA is hosting a financial seminar on cattle financing, lien laws and other protections available to cattle feeders on Feb. 13 at the Texas A&M University Research and Extension Center in Amarillo. The seminar will run from 10 a.m. to 3 p.m. with a break for lunch, which will be provided. There is a participation fee of \$20 per person. Additional details will be emailed and faxed soon. Please RSVP to [kaci@tcfa.org](mailto:kaci@tcfa.org) if you are interested in attending.

*Please note: All links are still available at [www.tcfa.org](http://www.tcfa.org) under Newsletter links.*