



Missouri Cattlemen's Association

Serving Missouri's Cattle Industry Since 1911

December 3, 2014

The Honorable Thomas J. Vilsack
Secretary of Agriculture
United States Department of Agriculture
1400 Independence Ave, SW
Washington, DC 20250

RE: Notice of Inquiry; Request for Comments on a New Beef Promotion, Research, and Information Order.
Docket Number AMS-LPS-14-0081 as found on pages 66684-66686 of the Federal Register Vol. 79, No. 217,
as published on Monday, November 10, 2014

Dear Mr. Secretary:

The Missouri Cattlemen's Association submits the following comments on the Notice of Inquiry; Request for Comments on a New Beef Promotion, Research, and Information Order, dated November 10, 2014.

The Missouri Cattlemen's Association is the oldest and largest organization solely representing the interests of Missouri cattle farmers and ranchers. The organization was formed in 1911 by cattle producers with vision. Their vision continues today as MCA works to represent the second-largest cow/calf state in the country. Your suggestion for a new Order under the Commodity Promotion, Research, and Information Act of 1996 is extremely concerning. The cattle producers belonging to this association seek less interference from the government. This bureaucratic approach to managing dollars generated by beef producers for beef producers is inefficient, unnecessary and appalling.

- 1. Who should be assessed?** No beef producer should be assessed under the 1996 Act as a result of the creation of a new checkoff. The 1996 Act allows future rate changes without a producer referendum. This is unacceptable. Producers must be allowed to be in control of their checkoff and not be a part of another government program. Contrary to the existing checkoff, the 1996 Act does not mandate a collection from importers. People importing cattle must be required to pay into the checkoff program. Again, the existing checkoff is working and MCA vehemently opposes the formation of another beef checkoff program under the 1996 Act.
- 2. What should be the board structure?** The current structure is defined under the 1985 Act. That structure is working and MCA vehemently opposes a new beef checkoff operating under the 1996 Act.
- 3. How should the Board be selected?** The 1996 Act gives the Secretary the power to establish the size of the Cattlemen's Beef Board. In contrast, the current checkoff operated under the 1985 Act clearly defines the size of the Board and the Board selection process established by a formula written into the Act. MCA is concerned that under the 1996 Act the Secretary has the power to appoint non-producer, non-importer individuals to the Board. This opens the Board to the public, which allows individuals not familiar with the beef industry to dictate how producer investments – not public funds – are allocated. This also allows for individuals or groups who want to cause harm to the beef industry to have input as a Board representative. This is unacceptable. Again, MCA emphasizes our unwavering support for the

current structure of the beef checkoff under the 1985 Act. MCA vehemently opposes the formation of another beef checkoff program under the 1996 Act.

4. **What should be the powers and duties of the board?** No elements of the 1996 Act mandate additional input from, or protections to, Qualified State Beef Councils. Under a 1996 Act Order, existing control over the Beef Checkoff Program by the Federal Government, acting through the Secretary of Agriculture, would increase significantly and unnecessarily. The current Board structure gives authority to producers; not the government. MCA believes the current structure is working. MCA vehemently opposes the creation of a new checkoff program under the 1996 Act.
5. **Who has decision-making authority?** Authority today belongs to beef producers working closely with the U.S. Department of Agriculture to ensure all dollars are spent ethically and within the requirements of the 1985 Act. This process is working. MCA vehemently opposes the creation of a new beef checkoff under the 1996 Act.
6. **How should the assessment rate be determined?** Beef producers should determine the rate of their beef checkoff program. The government should not be taxing beef producers. Again, the intent of the current program is to be producer driven and managed. MCA opposes a bureaucratic takeover of the beef checkoff. MCA vehemently opposes the creation of a new beef checkoff under the 1996 Act.
7. **How should assessments be collected?** Missouri is blessed to have many livestock markets in our state. Livestock markets working alongside the Missouri Department of Agriculture and the Missouri Beef Industry Council are very capable of collecting checkoff dollars. The system is working. MCA vehemently opposes the creation of a new beef checkoff under the 1996 Act.
8. **When should the referenda be conducted?** In regards to any effort to develop a new checkoff on top of the existing checkoff, a referendum should be conducted prior to the creation of a new checkoff. Producers should be allowed to vote whether or not they want another beef checkoff on top of their existing program. MCA supports the clearly defined existing beef checkoff under the 1985 Act. MCA vehemently opposes a new beef checkoff on top of the existing program.

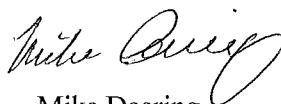
Creation and implementation of the Beef Promotion and Research Act of 1985 followed two unsuccessful attempts in the 1970s and 1980s to create a mandatory national beef checkoff. Research preceding the 1985 Act determined that producers wanted a checkoff that was fair, easy to administer, maximized grassroots and state level involvement, and that didn't create additional bureaucracies. The 1985 Act achieves those objectives by making state beef councils a key component in the national Beef Checkoff Program. It gives them input into national programs and allows them to keep 50 cents of every dollar collected.

Under that Act, half of producers elected to the national Beef Promotion Operating Committee, the body which contracts for the implementation of checkoff programs, is "elected by a federation that includes as members the "Qualified State Beef Councils." By contrast, the 1996 Act gives significantly more power to the Federal Government through the Secretary of Agriculture and fails to assure success factors written into the 1985 Act. The current structure is working. MCA again vehemently opposes the formation of another beef checkoff program under the 1996 Act.

Respectfully,



Jim McCann
President



Mike Deering
Executive Vice President