

Testimony
on behalf of the

Idaho Cattle Association

with regard to
Future U.S. Agriculture Policy and the 2012 Farm Bill
submitted to the

United States House of Representatives
Committee on Agriculture

The Honorable Collin Peterson, Chairman

submitted by

Charles Lyons

President-Elect
Idaho Cattle Association

May 1, 2010
Nampa, Idaho

Mr. Chairman, Congressman Minnick, thank you for the opportunity to present the Idaho cattle industry's perspective on the upcoming 2012 Farm Bill. My name is Charles Lyons, and I am a cattle producer from Mountain Home, Idaho. I am currently President-Elect of the Idaho Cattle Association.

As cattle producers, our livelihood is tied to many other agricultural commodities. We are dependent upon this nation's agricultural system and infrastructure to feed, transport, market our cattle, and provide beef for America's table; and as such, we are interested in seeing this segment remain healthy and viable.

Unlike other agricultural commodity groups, however, we tend to take a different look at portions of U.S. agriculture policy. Ranchers are an independent lot who want the opportunity to run their operations as they see fit with minimal intrusion from the government. As the nation's largest segment of agriculture, the cattle industry is focused on continuing to work towards agricultural policy which minimizes direct federal involvement; achieves a reduction in federal spending; preserves the right of individual choice in the management of land, water, and other resources; provides an opportunity to compete in foreign markets; and does not favor one producer or commodity over another.

The open and free market is powerful, and as beef producers, we understand and embrace that fact. The cyclical ups and downs of the market can be harsh, but the system works, and we remain steadfastly committed to a free, private enterprise, competitive market system. It is not in the nation's farmers or ranchers' best interest for the government to implement policy that sets prices; underwrites inefficient production; or manipulates domestic supply, demand, cost, or price.

Conservation and the Environment

There are portions of Federal agriculture policy that we can work on together to truly ensure the future of the cattle business in the United States. Conservation and environmental issues are two such areas. Some of the cattle industry's biggest challenges and threats come from the loss of natural resources and burdensome environmental regulations. Ranchers are a partner in conservation. Our livelihood is made on the land, so being good stewards of the land not only makes good environmental sense, it is fundamental for our industry to remain strong. Our industry is threatened every day by urban encroachment, natural disasters, and misinterpretation and misapplication of environmental laws. We strive to operate as environmentally friendly as possible, and it is here where we can see a partnership with the government.

The goal of conservation and environmental programs is to achieve the greatest environmental benefit with the resources available. One such program that achieves this is the Environmental Quality Incentive Program or EQIP. All producers should be afforded equal access to cost share dollars under programs such as EQIP. Further, it is important for ranchers in the west that EQIP monies are made available for conservation work on the federal lands that are an integral part of their operations.

Secondly, many producers would like to enroll in various USDA conservation programs such as CSP and CRP to reach environmental goals. However, to enroll in these programs requires the producer to stop productive economic activity on the land enrolled. We believe economic activity and conservation can go hand in hand. As such, we support the addition of provisions in the next farm bill that will further allow managed grazing on land enrolled in CRP. This will have tangible benefits on environmental quality, for example, helping to improve lands threatened by invasive plant species.

Further, programs such as the Wildlife Habitat Incentives Program can be helpful tools in assisting ranchers as they manage land to the mutual benefit of wildlife and livestock. The Endangered Species Act has often put a stranglehold on ranchers' ability to put land to productive use, often to the detriment of the species in concern. To the extent that WHIP and other NRCS programs can be improved to assist ranchers in undertaking on-the-ground conservation efforts and developing conservation plans, habitat, wildlife, and production agriculture will all benefit.

Additionally, conservation dollars allocated through Farm Bill programs must be distributed only to those involved in production agriculture and not be able to be misused by environmental extremist groups with the sole intent of locking up land.

USDA's conservation programs are a great asset to cattle producers. We want to see them continued and refined to make them more producer-friendly and more effective in protecting the environment in a sensible way.

Environmental issues are also a huge challenge for our industry. Proposed legislation regarding climate change and cap and trade could prove devastating to American agriculture and put us at a distinct disadvantage in the world's marketplace. Even if the bills move forward with an ag exemption, the increase in costs of fuel, electricity, fertilizer, feed, and equipment will be more than most livestock producers can bear. These, combined with EPA's regulation of greenhouse gases, makes us all concerned for our industry. Although these items are not addressed directly in the Farm Bill, we ask that the members of the Committee step in and help ag producers in their fight to have effective and sensible environmental regulations.

Trade

Outside of conservation and environmental issues, there are several other issues that have the potential to impact the long-term health of the beef industry. One such area is trade. U.S. cattlemen have been and continue to be strong believers in international trade. We support aggressive negotiating positions to open markets and to remove unfair trade barriers to our product. We support government programs such as the Market Access Program and the Foreign Market Development Program which help expand opportunities for U.S. beef, and we urge sustained funding for these long-term market development efforts. We also support Congressional and regulatory action to address unfair international trade barriers that hinder the exportation of U.S. beef.

Energy

Research is also needed to identify and develop alternative methods of producing energy. Renewable energy is going to become an increasingly important part of our country's energy supply and there are many ways that cattle producers can contribute and benefit. Research and development is needed to find cost-effective methods of utilizing manure and animal waste as a fuel supply. When looking at ethanol, however, we must be careful not to act in a way that is detrimental to the livestock industry. Livestock consume the majority of U.S. corn. As ethanol continues to grow, we must make sure it does not do so at the detriment of the cattle feeding industry. We must take all opportunities to look at ways to balance feed demand, price, and the benefit of renewable fuels.

Taxes

Reducing the tax burden on ranchers has always been a top priority for our industry. We continue to support permanent repeal of the Death Tax. Regardless of how many or how few are effected, if even one rancher has to sell off part of their operation to pay this tax, it is unacceptable to us. Cattlemen pay their fair share of taxes, and resent the fact that many will be penalized for wanting to pass their operations on to future generations. Our priority is to keep families in agriculture, and this tax works against that goal. We do not see this as a tax cut for the rich. The rich can afford high priced attorneys and accountants to protect their money now. Ranchers operate in an asset rich but cash poor business environment. Ranchers must spend money that would otherwise be reinvested in their businesses to hire the resources necessary to protect their assets and pass their operations on to their children. At the same time, however, they may have several hundred acres of land whose value has been driven up by urban sprawl and the unintended consequences of Federal crop supports. We also support keeping the Capital Gains Tax at a lower rate and the repeal of the Alternative Minimum tax.

Conclusion

America's cattlemen are proud and independent. We just want the opportunity to run our ranches the best we can to provide a high quality product to the American consumer, and even more importantly, provide for our families and preserve our way of life. We are coming to you in an effort to work together to find ways to use the extremely limited funds available in the best way possible to conserve our resources, build our industry, and provide for individual opportunity at success. We ask for nothing more than Federal agriculture policy that helps build and improve the business climate for cattlemen. We look forward to working with you on the 2012 Farm Bill.

Committee on Agriculture
U.S. House of Representatives
Information Required From Non-governmental Witnesses

House rules require non-governmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Charles Lyons

2. Business Address: P. O. Box 15397
Boise, ID 83715

3. Business Phone Number: (208) 343-1615

4. Organization you represent: Idaho Cattle Association, Inc.

5. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:
I am currently ranching and am a lifetime rancher.
I have been a logger and miner and worked with
the forest service with range and fire.

6. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:
I have completed monitoring classes and have
general life experiences.

7. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:
President-Elect for Idaho Cattle Association, Inc.

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.

Committee on Agriculture
U.S. House of Representatives
Required Witness Disclosure Form

House Rules* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2007.

Name: Charles Lyons
Address: P. O. Box 15397
Telephone: (208) 343-1615
Organization you represent (if any): Idaho Cattle Association, Inc.

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2007, as well as the source and the amount of each grant or contract. House Rules do NOT require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: none Amount: _____

Source: _____ Amount: _____

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2007, as well as the source and the amount of each grant or contract:

Source: NONE Amount: _____

Source: _____ Amount: _____

Please check here if this form is NOT applicable to you: _____

Signature: Charles Lyons

* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.