



NATIONAL CATTLEMEN'S BEEF ASSOCIATION

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I want to thank you for inviting me here today to talk about the Obama Administration's environmental policies. From where I sit, they appear to be aimed at destroying the cattle industry in America as we know it. It is ironic that as we work to become less dependent on foreign oil, Obama policies are likely to make us more dependent on foreign beef. Maybe we'll need to start a strategic hamburger reserve after the Obama Administration is finished with us.

The fact is the EPA is waging an unprecedented war to end modern production of animal agriculture. EPA exhibits reckless indifference to scientific fact and, instead, imposes stringent regulations based on nothing more than its biased anti-animal agriculture agenda that will leave many cattle operations with no recourse but to shut down and eliminate jobs.

Cattle producers get little comfort from the stirring rhetoric of President Obama when he vows to "put people back to work and renew the American dream." The irony and reality is, of course, that it is the Obama Administration's many environmental regulations that ignore Congressional intent, are vague, overreaching, costly, unnecessarily burdensome, ludicrous, and sometimes illegal that cause economic uncertainty, concern, and insecurity throughout the cattle industry and the entire rural American economy.

Some examples of these regulations include the following:

- Dust regulation – The EPA has laid the foundation to impose the most stringent regulation of dust in US history. It is preparing to issue a proposed regulation that is twice as stringent as the current dust standard, and is more stringent than background levels of dust in many parts of the United States. Incredibly, we are talking about dust kicked up by tilling fields and harvesting crops, cattle movements, and pickups driving down dirt roads. For agriculture, the current standard is already very difficult and costly to meet – doubling it would be virtually impossible.
- Ammonia Regulation – The EPA is bound and determined to regulate ammonia even though it does not have the legal authority to do so. The Clean Air Act sets forth strict procedures for regulating pollutants. Instead of complying with those procedures, the EPA is attempting to circumvent them. The EPA's plan goes like this -- Under the Clean Air Act, the EPA is authorized to regulate nitrogen oxides, otherwise known as NOx. Now, while admittedly ammonia has nitrogen in it, it is not an oxide of anything. Its chemical formulation is NH₃. Regardless of this fact, however, the EPA plans to tell states that they can comply with NOx control requirements by choosing to regulate ammonia instead of, or in addition to, regulating emissions of NOx. This

is inappropriate. Since there are no BMPs available to address ammonia emissions from cattle operations at this time, I don't know how our producers would comply with ammonia regulations.

- EPA/NRCS Efforts to Do Away With the Phosphorus Index – The phosphorus index is a tool used by cattle producers to assess the appropriateness of applying manure to land near our waters. The phosphorus index is different in every state and appropriately takes into account differences in climate, topography, soil type, soil test, water sensitivities, among other factors. In typical Obama fashion, the unique considerations of states would be done away with as EPA/NRCS develop a national tool that would largely be based on a soil test for phosphorus to determine the upper limit. Such an approach is entirely inappropriate, is not based on science, and is likely to result in the inability of cattle producers to land apply their manure in many areas of the country. Depending on the outcome, this regulation may be one of the most economically devastating to animal agriculture.
- CERCLA/EPCRA Reporting – During the Bush Administration, there was a big debate about the appropriateness of requiring animal agriculture to report ammonia and hydrogen sulfide emissions under CERCLA and EPCRA laws. The issue was whether our emissions pose a situation that may require an emergency response at some point. If they do, then they must be reported to emergency responders. Our emissions are continuous, low level, and have never and would never pose an emergency situation. The Bush Administration decided to require reporting to state and local emergency responders under EPCRA, but not to the National Response Center under CERCLA. The Obama Administration is reconsidering that rule and is expected to require reporting under CERCLA.
- Greenhouse Gas Regulation Under the Clean Air Act – I'm sure I do not need to brief the group on this issue. It is a big deal and when everything is said and done, is likely to impose significant financial burdens on animal agriculture and industries and citizens throughout rural America and the rest of the country. That is why NCBA appealed the endangerment finding, and each rule implementing that finding, to the DC Circuit Court of Appeals for review. We support any and all efforts by Congress to stop this economically backbreaking regulation.
- CAFO Regulation Under the Clean Water Act – One of EPA's favorite methods of regulation these days seems to be secretly settling cases with environmentalists that have been appealed to circuit courts. Such settlements do not include industry appellants. One such settlement occurred recently in the 5th Circuit regarding the Clean Water Act CAFO Rule. Under that settlement agreement, the EPA was required to issue a guidance dictating its interpretation of when CAFOs must apply for Clean Water Act permits. This interpretation was not subject to notice and comment. In addition, the settlement requires EPA to issue a rulemaking requiring that CAFOs supply information about their operations that essentially describe every detail including private information on the locations of operations – which is often where our

members families live – and post that information on the internet for everyone to see. This is an example of the EPA using the cover of a court order to accomplish goals it may not otherwise have been able to accomplish through appropriate regulatory channels.

- Chesapeake Bay – The EPA plans to issue a TMDL for the Chesapeake Bay by the end of this year which is intended to be a blueprint for similar plans in other watersheds throughout the US. The plan may prohibit new permits in the area unless strict permits are imposed on farmers and ranchers for nonpoint source pollution. The EPA also intends to regulate smaller animal feeding operations in the same way it does larger operations, narrow the agriculture stormwater and irrigation return flow exemptions, adopt unattainable numeric nutrient criteria, and impose liability on CAFOs for third party application of manure to land.

I could go on, but I will stop here.

This vast array of new regulatory requirements will add significantly to cattle producer's cost of doing business making it harder for them to pay their bills, pay their workers, expand, compete in the worldwide marketplace, and satisfy America's demand for safe affordable beef – one of the best sources of protein and other essential nutrients in the human diet.

There is no question that cattle producers want to do what is best for the environment and in fact we have made great progress over the years in decreasing our environmental footprint. In 2007, there were 13% fewer cattle slaughtered than in 1977, but those animals produced 13% more beef. By producing more beef with fewer resources, the total carbon footprint for beef production was reduced from 1977 to 2007 by 18%. In addition, when compared to beef production in 1977, each pound of beef produced in modern systems use: 20 percent fewer feedstuffs, 30% less land, 14% less water, 9% less fossil fuel energy. We are proud of this record of accomplishment as we continue to find new ways to improve our environmental stewardship.

As you know, most cattle producers are not able to employ expensive environmental engineers, lawyers, and other specialists that many other industries employ to address environmental regulations. Nor can they afford to pay the steep and unreasonable fines often imposed for violations of regulations. It is unlikely these realities are lost on the EPA, making one wonder if the real goal of the agency is to do away altogether with economic activity throughout the bread basket of this country and turn it into a vast national park.

I'd be happy to answer questions.