

## MINUTES OF THE HOUSE AGRICULTURE AND NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman John Faber at 3:30 P.M. on March 12, 2008, in Room 783 of the DSOB.

All members were present except:

Representative Carl Holmes - excused  
Representative Vaughn Flora - excused  
Representative Josh Svaty - excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department  
Hank Avila, Kansas Legislative Research Department  
Gordon Self, Revisor of Statutes  
Kristen Kellems, Revisor of Statutes  
Florence Deeter, Committee Assistant

Conferees appearing before the committee:

Chris Tymeson, Chief Legal Counsel, Kansas Department of Wildlife and Parks  
Tony DeRossett, Hunters Feeding the Hungry, Inc.  
Brandy Carter, Executive Director, Kansas Cattlemen's Association  
Wanda Kinney, Kansas Cattlemen's Association  
Dorothy Goodman, Member, U.S. Cattlemen's Association and Kansas Cattlemen's Association  
Lee Robbins, Yates Center, Kansas  
Daryl Larson, Vice-President, Kansas Farmers Union, McPherson, Kansas  
David Pfrang, Goff, Kansas  
Mike Callicrate, Ranch Foods Direct, LLC, Colorado Springs, Colorado {Written Only}  
Jim Dobbins, Beef Producer, Goff, Kansas  
John Donley, Kansas Livestock Association  
Jan Lyons, Lyons Ranch, Manhattan, Kansas

Others attending:

See attached list.

### **Hearing on SB 475 - Kansas Hunters Feeding the Hungry**

The Chairman opened the hearing on **SB 475**, and requested Staff Raney Gilliland to brief the committee. He said the bill amends several sections of Wildlife and Parks law, changing the name of a group who donate hunted meat to the hungry from Kansas Farmers and Hunters Feeding the Hungry to Kansas Hunters Feeding the Hungry, Inc. The bill includes a Kansas Register effective date. A fiscal note for the committee will be provided at a later date.

The Chairman introduced Chris Tymeson, Chief Legal Counsel, Kansas Department of Wildlife and Parks, who spoke as a proponent for **SB 475**, indicating no significant changes should occur with the modifications (Attachment 1).

Tony DeRossett, State Chairman, Farmers and Hunters Feeding the Hungry, spoke in favor of the proposed change requesting the agency name be changed to Hunter Feeding the Hungry (Attachment 2). He said the organization has used 750 deer harvested along the I-70 corridor to feed about 150,000 hungry people in Kansas this past year. A goal for the future is to find ways to protect crops from damage caused by deer.

The Chairman closed the hearing on **SB 475**.

### **The Chairman opened the hearing on HCR 5034 - Urging Congress to enact revisions to the Federal Beef Promotion and Research Act**

Staff Raney Gilliland briefed the committee, explaining that the resolution urges Congress to amend the beef promotion and research act of 1985. The primary goal is to strengthen the production of beef in the

CONTINUATION SHEET

MINUTES OF THE House Agriculture and Natural Resources Committee at 3:30 P.M. on March 12, 2008, in Room 783 of the DSOB.

marketplace; an assessment of one dollar per head is to be collected each time cattle are sold, whether those cattle are imported or domestic. Mr. Gilliland said the assessments are used for research studies in heart disease and dietary cholesterol and the role of low-fat beef in human diets. He indicated that the bill would allow a minimum of 50% of the beef checkoff assessments to be used for promotion of United States born, raised and processed beef.

John Donley, Assistant General Counsel, Kansas Livestock Association (KLA), spoke in opposition to **HCR 5034**, stating the resolution as presented needs additional study before being implemented (Attachment 3). He said the current beef checkoff program is successful and should remain at the discretion of the cattle producers.

Jan Lyons, Lyons Ranch, Manhattan, Kansas, spoke in opposition to **HCR 5034**, saying that the beef producers designed and implemented the checkoff program to benefit all producers (Attachment 4). He expressed concerns regarding the limitations this resolution may place on the beef promotion program. He reported the Cattlemen's Beef Board has had on-going discussions over the past two years to determine potential improvements to the current program.

Brandy Carter, Executive Director, Kansas Cattlemen's Association, spoke in favor of **HCR 5034**, saying that United States producers of beef should be given the opportunity to promote their products to homeland consumers (Attachment 5). At present, the mandate does not permit producers this privilege; retailers of beef products are permitted to use the checkoff funds. Ms. Carter said that under the current act, checkoff funds may be used to promote generic product only. She apprised the committee of the number of signatures garnered in a petition to sanction the amendment allowing a portion of the beef checkoff dollars to be used for promoting United States born, raised and processed beef.

Daryl Larson, Vice-President, Kansas Farmers Union, McPherson, Kansas, voiced his position as a proponent of **HCR 5034**. Mr. Larson encouraged committee members to examine the issue from the producers point of view as to what is right for them, primarily, the promotion of United States beef to consumers at home (Attachment 6).

David Pfrang, a cattle producer from Goff, Kansas, spoke as a proponent of **HCR 5034**. He strongly advocates measures to assure beef producers the ability to use beef checkoff moneys to promote their own products (Attachment 7).

Dorothy Goodman, a producer of U.S. cattle for more than twenty years and a member of the U.S. Cattlemen's Association and the Kansas Cattlemen's Association, speaking in favor of **HCR 5034**, provided historical background of the Beef Checkoff Program, which was approved by cattle producers over twenty years ago. She said a Checkoff Enhancement Task Force was established in 2006 to suggest changes in the program. In that year a survey revealed that less than six percent supported an increase in the assessment rate. (Attachment 8). Ms. Goodman said while the United States Cattlemen's Association believes the survey results indicate that producers want to maintain a self promotion program, she sees the need for revision of the current Beef Research and Promotion Act.

Lee Robbins, a third-generation cattle producer from Yates Center, Kansas, supports **HCR 5034** and advocates using the checkoff moneys to promote locally grown cattle (Attachment 9). He said imported beef is increasing the competitive market.

Mike Callicrate, Ranch Foods Direct, LLC, Colorado Springs, Colorado, provided written testimony, which was read by Jim Dobbins (Attachment 10). {Written Only}

Jim Dobbins, Goff, Kansas, maintains a small operation fattening calves using an all-natural method of feeding. He supports the beef checkoff assessment and advocates using those dollars to promote USA produced beef. Mr. Dobbins holds the position that all imported beef should be assessed the same and used to further promote United States raised beef (Attachment 11).

Wanda Kinney, representing DWK Farms and a member of Kansas Cattlemen's Association, added her

CONTINUATION SHEET

MINUTES OF THE House Agriculture and Natural Resources Committee at 3:30 P.M. on March 12, 2008, in Room 783 of the DSOB.

support for **HCR 5034**, saying the act should allow all producer checkoff funds to be used for promotion of United States raised and processed beef (Attachment 12).

Don Rezac, a former legislator who served on the Agriculture Committee and is presently a farmer/rancher in Emmet, Kansas, sees the passage of this resolution as favorable in allowing a minimum of 50% beef checkoff assessments for promoting United States raised and processed beef (Attachment 13).

The Chairman closed the hearing on **HCR5034**.

The meeting was adjourned at 5:00 p.m. The next meeting is scheduled for March 17, 2008, at 3:30 p.m.



**Testimony on SB 475 regarding Kansas Hunters Feeding the Hungry, Inc  
To  
The House Committee on Agriculture and Natural Resources**

**By Christopher J. Tymeson  
Chief Legal Counsel  
Kansas Department of Wildlife and Parks**

**12 March 2008**

SB 475 seeks to amend three statutes related to Farmers and Hunters Feeding the Hungry. The provisions of the bill would be effective on publication in the statute book. **The Department supports the provisions contained in SB 475.**

SB 475 would amend three statutes related to Farmers and Hunters Feeding the Hungry and change the statutes to reflect the name of a new entity formed by Mr. Tony DeRossett. Mr. DeRossett has served as the state chair of FHFH since its inception and assisted the Department numerous times on issues of mutual concern. The Department anticipates no issues will arise as a result of these changes.

The Department appreciates the opportunity to address the bill and the support of the Committee in making these modifications to the statutes.

SB 475 / Testimony 3/12/08  
ATTN: FLORENCE P  
Room 161 W TER

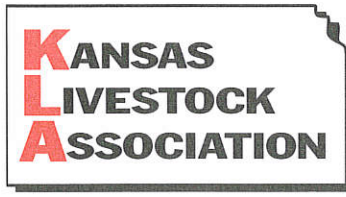
**Intro:**

**Tony DeRossett, President Farmers & Hunters Feeding the Hungry. I've held this position for the past 8 yrs. The BILL before us simply covers a name change for the organization to Hunters Feeding the Hungry.**

**What we do:**

**HFH uses hunter harvested deer to supply meat to food pantries across Kansas. We have grown to have 750 deer donated this season feeding about 150,000 hungry Kansans. We've worked and reduced auto accidents in high incident regions like the "I-70 corridor" between Topeka and KC. Next we intent to help with crop damage across this state. All while feeding those in need.**

**Questions:**



*Since 1894*

## TESTIMONY

To: The House Committee on Agriculture and Natural Resources  
Rep. John Faber, Chairperson

From: John Donley

Date: March 12, 2008

Subject: **House Concurrent Resolution 5034** - A Concurrent Resolution urging the United States Congress to amend the Beef Promotion and Research Act.

*The Kansas Livestock Association (KLA), formed in 1894, is a trade association representing approximately 6,000 members on legislative and regulatory issues. KLA members are involved in many aspects of the livestock industry, including seed stock, cow-calf and stocker production, cattle feeding, grazing land management and diversified farming operations.*

Good Afternoon. My name is John Donley. I am Assistant General Counsel for the Kansas Livestock Association (KLA).

I am here today to testify in opposition to HCR 5034. The beef checkoff is one of the most successful and vital programs that the beef industry has working today. In fact, economic studies have shown that beef producers receive \$5 in return for every \$1 invested in the beef checkoff program. This success is not due to rash reactions by beef producers who control the expenditure of funds; it has occurred due to the well thought out path that the nation's beef producers have established as they have sat on the Cattlemen's Beef Board, the producer member decision-making body of the checkoff.

I would be remiss to fail to mention that with the impending implementation of mandatory country of origin labeling at the federal level, KLA and our national organization, the National Cattlemen's Beef Association (NCBA), have been exploring the legality behind the concept of promoting U.S. beef with checkoff dollars. NCBA is looking into whether such an action would violate existing trade agreements as well as the Beef Promotion and Research Act and Order.

In summary, I would like to discourage this committee from passing out a resolution that will only confuse a situation that needs to have further study before being considered for implementation. The beef checkoff program is a successful, producer-controlled program that is best left to the direction of producers, not the whims of the state legislature.

HS Ag & Nat'l Resources  
3-12-08  
Attachment 3

**2008/New**

**BEEF CHECKOFF RESOLUTION**

WHEREAS, the Beef Checkoff is a self-help program developed by producers and for their benefit, and

WHEREAS, producer investment in the Checkoff has helped improve beef demand through the program's first 20 years by funding important promotion, research and education projects, and

WHEREAS, two decades of inflation have cut into the amount of funding the Checkoff can provide for these essential programs, and

WHEREAS, a 2006 producer survey conducted by USDA confirmed 72% of producers approved of the Checkoff Program.

THEREFORE BE IT RESOLVED, NCBA and affiliated state cattlemen's organizations support the following modifications to the Beef Checkoff Program:

1. Revise the beef referendum process to provide producers the opportunity, at regular time intervals, to petition for a referendum on continuing the Beef Checkoff Program. Ten percent of producers nationwide signing the petition at USDA designated local sites will trigger the USDA to conduct a vote within a year.
2. Establish a similar process to provide beef producers the opportunity to petition for a referendum on increasing the Beef Checkoff. Ten percent of producers nationwide signing the petition at USDA designated local sites will trigger the USDA to conduct a vote to increase the Checkoff rate.
3. Any reference to the charter date of an established national non-profit industry governed organization should be eliminated.
4. Increase the Beef Checkoff assessment rate for the purpose of adequately funding an effective beef demand building program. Ensure a referendum is held so all producers have an opportunity to vote on the increase.

**2008/New**

**Beef Checkoff Promotion U.S. Beef Directive**

WHEREAS, survey results have shown 81% of producers surveyed believe Beef Checkoff dollars should be used to promote U.S. born and raised beef, and

WHEREAS, knowing such promotions would no longer require importers to pay an assessment equivalent to \$1 per head, 42% of the 81% still prefer using Beef Checkoff dollars to promote U.S. born and raised beef, and

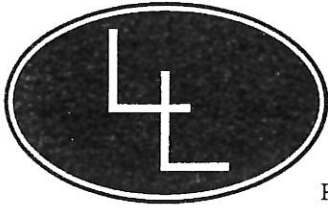
WHEREAS, support for modifying the Act and Order to allow Beef Checkoff dollars to promote U.S. born and raised beef rests in state affiliated organization's policies,

THEREFORE BE IT DIRECTED, NCBA investigate and report back to the Agriculture Policy Committee no later than June 1, 2008 any and all import-trade agreement deficiencies that could occur by modifying the Act and Order to allow Beef Checkoff dollars to be used for U.S. born and raised beef promotion.

BE IT FURTHER DIRECTED, NCBA report back to the Agriculture Policy Committee no later than June 1, 2008 a variety of Beef Checkoff Act and Order amendment options, allowing for Beef Checkoff funded, U.S. beef promotion programs, which would alleviate all discovered import-trade agreement deficiencies.

BE IT FURTHER DIRECTED, that NCBA strongly consider options that would ensure continuation of importer payment of the Beef Checkoff.





# Lyons Ranch

JAN and FRANK LYONS and FAMILY  
2481 McDowell Creek, Manhattan, KS 66502  
Phone: (785)537-7226 • Fax: (785)776-4005 • Email: LYONSRANCH@aol.com

## TESTIMONY

TO: The House Agriculture Committee  
Rep. John Faber, Chairman

FR: Jan Lyons  
Lyons Ranch

RE: HCR No. 5034 – A resolution urging the U.S. Congress to amend the Beef Promotion and Research Act of 1985.

Date: March 12, 2008

*Jan and Frank Lyons own and operate Lyons Ranch, an Angus seedstock operation located south of Manhattan. Lyons Ranch is a multigenerational operation with children and grandchildren actively involved in the operation. Jan has a strong record of service to the industry. She is a past president of the Kansas Livestock Association and the National Cattlemen's Beef Association. She also served as chairman of the Cattlemen's Beef Board. Jan recently was honored as the Stockwoman of the Year by the Livestock and Meat Industry Council at Kansas State University.*

Mr. Chairman and members of the committee, thank you for this opportunity to provide some insight into the Beef Checkoff.

It was my honor to serve with my fellow beef producers on the Cattlemen's Beef Board. The Beef Board was established by the Beef Act and Order to oversee the Beef Checkoff. Beef producers designed the checkoff to be fair and to benefit all producers – all pay and all share in the benefits of the program.

The beef checkoff truly is a producer-directed, self-help program. Beef producers determine demand-building program priorities that meet the requirements of the Act and Order. These priorities are further refined through the process until funds are allocated among the various program areas. Beef producers make the decisions at each step of this process.

As I read HCR 5034, several concerns come to mind. The resolution urges Congress to replace producer control with a mandate from Congress. Currently, beef producers make decisions about the distribution of funds among the various program areas. These decisions are based on current circumstances and may change from year to year, depending on the issues faced by the beef industry.

A Congressional mandate that at least 50% of checkoff dollars must be used for promotion takes flexibility away from the program. Beef producers may determine additional funds should be shifted to conduct additional food safety research or to manage a crisis such as BSE. This resolution would limit beef producers' ability to adapt to changing industry needs.

A second concern is the limitations the outcome of this resolution would place on the promotion program area. Approximately half of Beef Board checkoff dollars currently are used in the promotion area. This resolution suggests the entire promotion budget be spent on the promotion of beef born, raised and processed in the U.S.

The promotion program area includes consumer advertising, new product development, foodservice, veal and the National Beef Cook-Off. Under the foodservice program, the checkoff partners with key foodservice companies to expand and promote beef menu offerings. Would the restaurant be required to source only U.S. born, raised and processed beef? How would they verify that their product was born, raised and processed in the U.S.? Even the country-of-origin labeling program scheduled for implementation later this year would not apply since foodservice is exempt from labeling requirements under the law.

Another concern is the question of importer assessments. Currently, importers pay a per head equivalent on all imported beef. This totals to between \$7 and \$8 million annually, more than 10% of Beef Board expenditures. Do the sponsors of this resolution anticipate discontinuing importer assessments? I would expect importers would oppose paying into a program that cannot promote their product.

Discussion about the future of the beef checkoff is appropriate. Beef producers have spent the past couple of years discussing potential improvements and enhancements to the current program. Those discussions have centered on increasing producer control of the program as well as identifying an appropriate funding level. There also has been discussion on changes to allow at least some portion of checkoff dollars to be used for promotion of U.S. beef.

I understand the intent of this resolution. I, like my fellow beef producers, am very proud of the product we are a part of producing. I believe we produce the safest, highest-quality beef in the world and am not shy about saying so. But, I am concerned this well-intentioned resolution would unnecessarily tie beef producers' hands in addressing the issues facing the beef industry. The beef checkoff has been extremely successful in helping to maintain consumer confidence in beef and increasing beef demand. I look forward to working with all beef producers to make this great self-help program even better. Thank you.



Mr. Chairman and Members of the Committee,

I am Brandy Carter, Executive Director of the Kansas Cattlemen's Association. Thank you for the opportunity to address HCR 5034. KCA supports HCR 5034.

50 cents of every dollar collected from state beef councils is sent to the Cattlemen's Beef Promotion and Research Board as part of the national beef checkoff. In 2007, the CBB's national office received domestic assessments totaling \$36,105,471 and importers assessments totaled \$7,640,266; combined, the national office receives approximately \$45,000,000 per year. However, the national office only accounts for approximately half of the total checkoff dollars assessed.

The state beef councils manage the other 50 cents collected in their respective states. In 2007, that totaled \$36,061,426. The total domestic dollars collected was \$72,166,897. According to, Steve Barratt, Director of Collections Compliance for the Cattlemen's Beef Board, every dollar collected domestically comes from producer dollars. Unless they own cattle, packers do not pay into the checkoff. The Kansas Beef Council collected \$7,721,738 in checkoff assessments in 2007. Half of that was sent to the national checkoff, allowing the other half to be used in the state of Kansas or distributed as the state beef council saw fit.

According to the Cattlemen's Beef Board, 51.6% of the funds they received were used for promotion efforts. However, under the current act, checkoff funds may only be used to promote a generic product.

As a mandatory program, U.S. producers bare the brunt of the cost but cannot promote their own product within the United States. Yet, beef checkoff funds can be used to promote specific cuts of beef directly benefiting retailers. Corporate entities, such as Applebee's, are able to utilize checkoff funds to promote beef at their restaurants, directly benefitting the restaurants. As well, U.S. beef can be promoted outside of the U.S., such as the efforts in Japan, Korea, Hong Kong, the European Union, Guatemala, and Mexico.

U.S. producers deserve the opportunity to promote their product to U.S. consumers. KCA participated in the Topeka Farm Show earlier this year and offered producers the opportunity to address this exact issue. Provided to you are the petitions that producers signed to ask for the Beef Promotion Act to be amended to allow a portion of the Beef Checkoff dollars to be used for promotion of USA born, raised and processed beef.

With the facts provided and in accordance to KCA's mission, the KCA supports HCR 5034.

Respectfully,

A handwritten signature in cursive script that reads 'Brandy Carter'. The signature is written in black ink and is positioned above a horizontal line that spans the width of the signature area.

Kansas Cattlemen's Association

315 Houston, Suite H Manhattan, KS 66502 Ph: 785-539-6014 Fx: 7

HS Ag & Nat'l Resources  
3-12-08  
Attachment 5

Mr. Chairman and members of the committee, good afternoon, I am Daryl Larson a Farmer and Rancher from McPherson, KS. I am here today to speak in support of HCR 5034 representing the members of the Kansas Farmers Union, the Kansas Cattlemen's Association and other non-member producers that share our beliefs. I am currently serving as Vice President of the KFU and Treasurer of the KCA. I also manage the finances for my brother and myself doing business as Larson Acres, so I feel like I have some knowledge of the issue this resolution covers.

Since you already have or will have the facts on the money involved with the Beef Check-off, I want to address the issue of right and wrong. The current system of taxing USA cattle producers at one dollar per head every time a USA raised animal is sold without allowing us to use that money to promote our own USA cattle and or beef within our own country is WRONG. Now there are some people that want to increase the amount collected to two dollars per head and that is also WRONG at least until we can correct the problems with the current system.

I ask you now to support and move HCR 5034 forward so that the state of Kansas can also encourage and influence the Congress of the USA to do what is RIGHT for the real Producers of our country.

Respectfully,

Daryl A Larson

Testimony for House Agriculture and Natural Resources Committee  
Re: HCR 5034  
Wednesday, March 12, 2008 3:30 pm

My name is David Pfrang. I'd like to thank the Ag Committee for this opportunity to hear our testimonies regarding the Beef Checkoff. I ***strongly*** support this resolution to provide beef checkoff funds to start promoting U.S.A. beef.

As American cattle producers, we ***are*** going to get Country-of-Origin Labeling. Since consumers now will have a choice of choosing between imported and domestic beef, it's vital that we begin promoting our own product.

As a U.S.A. cattle producer, I've been paying into this beef checkoff for the last 20 years. Last year alone American producers paid roughly \$72 million dollars compared to \$7 million paid by the importers! Over 20 years that comes out to \$1 billion, 440 million dollars from the U.S. producers compared to \$140 million from the importers! (And keep in mind that our cattle numbers have been declining over the years.) How can the national Beef Council say that they need more money?! Why, then, did they increase the carcass weights on imported cattle??

I'd like to commend Brandy Carter of KCA for promoting the introduction of this bill and bringing this issue out in the open. Brandy Carter ***should*** be on the Kansas Beef Council Board with her knowledge of cattle and the cattle industry. But wait!! She ***can't***!! She's not a member of KLA!! And that's the requirement to be on the Kansas Beef Board.

I've recently been in contact with the Nebraska Beef Council out of Kearney, Nebraska. (By the way, the Nebraska Livestock Association is in ***Lincoln***. The Kansas Beef Council and KLA share the same ***building***!! ) If Brandy were to live in Nebraska, all that she would have to do to get on the Nebraska Beef Board is to have a petition of 100 signatures from her district and she would be on the ballot. Now ***this*** is an example of democracy!

As producers we're all here today because we want our beef checkoff dollars to promote ***our*** product. The other side (NCBA and even our own KLA!) just wants to promote an ***increase***!! I'd say, the ones who voted for the increase, just let ***them*** pay the increase!! More than 90% of us took part in a national LMA (Livestock Marketing Assoc.) survey saying that we do ***NOT*** want an increase in the beef checkoff!

I'm sure that you legislators look at the "pork" that can be cut out before making financial decisions. So do I. Recently I went to the KLA/Kansas Beef Council office and asked to see their itemized expense account since the beef checkoff is a government handled program. Even though this appears to be a Freedom of Information Act, I was still denied not once but twice.

In 1773 a group of people called 'The Sons of Liberty' were angry because they were taxed without being represented. They led the famous Boston Tea Party. And now 225

years later basically the same thing is happening here in Kansas. Our American producers are being taxed without being fairly represented by the beef board. The ship is in the harbor once again, but this time it's a 'Beef Party'. How many of you legislators will join me on this boat? The Beef Checkoff resolution is a good start in better representing the U.S. cattle producers.

I would like to close by recommending to the Chairman that a task force be assigned to look into the entire beef checkoff. It *definitely* needs to be overhauled.

Thank you for your time on this matter.

David Pfrang  
Goff, Kansas

*Mr. Chairman and committee*

I am a member of the Kansas Cattlemen Association (KCA) and a member of the United States Cattleman Association (USCA) and a 20+ year cattle producer. Thank you for allowing me to speak before you today.

When producers approved the Beef Checkoff over twenty years ago, they did so believing that the dollars they contributed would be primarily benefiting their product; beef from animals born and raised in the U.S. In the ensuing years, major changes to the structure of the Beef Industry led to increasing amounts of imported beef products and increased imports of live cattle and feeder cattle. These same years have seen dramatic growth in imported cattle numbers globally, especially from South America as well as Mexico, Canada and Australia.

In the mid 90's, the checkoff's primary contractor, National Cattlemen's Association, was able to effect a merger that included themselves, the Federation of State Beef Councils and the Meat Export Federation, resulting in the National Cattlemen's Beef Association (NCBA). This merger was approved by less than .01% of cattle producers nationwide.

The Cattlemen's Beef Board (CBB), by law, remained independent, but they shared office space with the NCBA, and their board was/is comprised almost exclusively of representatives that were/are NCBA members.

In 2006 a Checkoff Enhancement Task Force was convened to suggest changes to the program. Being dominated by the NCBA and their affiliates, the Task Force recommendations were focused on increasing the assessment to \$2.00. Results of an 8000 producer survey conducted by the USDA was made public in February 2007: in response to settlement requirements of legal action brought by LMA -Livestock Marketing Ass. . <http://www.ams.usda.gov/lsg/mpb/rp-beef.htm> . - the survey showed 92% support for promoting a U.S. born and raised product, 82% support for a mandatory periodic referendum, 66% support for changing the CBB's contracting requirements (to allow them to contract with individual vendors) and less than 6% support for increasing the assessment.

*Dort Goodman, producer*

Dort Goodman  
2662 X4 Rd  
Sabetha KS 66534

## Support for Current Assessment Level

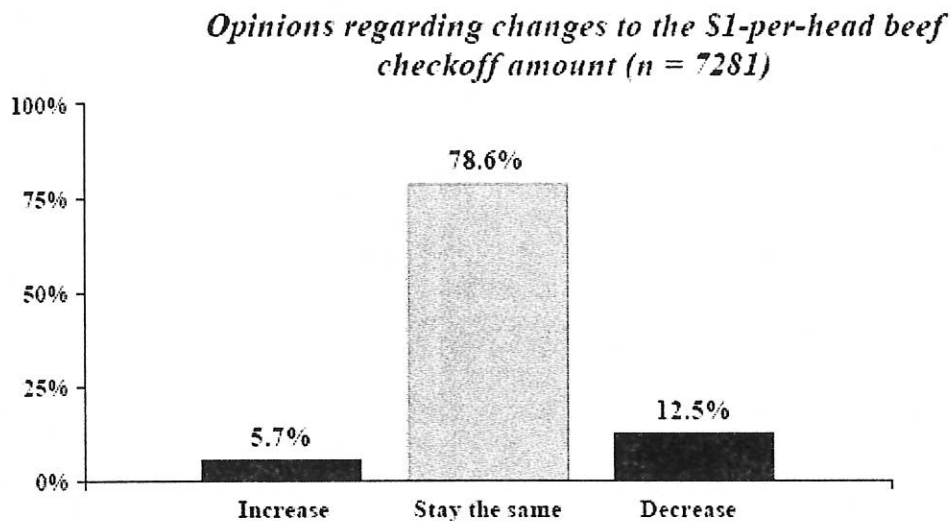


Figure 11

Question 16: In your opinion, should the \$1-per-head Beef Checkoff amount increase, decrease or stay the same?

The survey also concludes that over 90% of those polled want to see the Checkoff amount remain at the current level or be decreased. It would seem that other questions regarding the management of the program need to be addressed before seeking an increase of any kind in the assessment.

## Conclusion

USCA believes the results of the survey re-affirm the producer desire to maintain a self promotion program, however, we also feel these same results have shown a need to revisit and revise the current Beef Research and Promotion Act and Order. Our strategies will be two-fold. The first will be to build a coalition of prominent national agriculture organizations and demonstrate the breadth and depth of the support for making these changes. Secondly, we intend to begin working aggressively with Congress to lay the framework and provide the information needed to initiate appropriate legislative action. We appreciate the time you and your staff have given us and we look forward to working with you as we strive to make the Beef Promotion program stronger and more beneficial to cattle producers across America.

Gostman



I Am Lee Robbins 3<sup>rd</sup> generation Rancher  
From Yates Center.

Things to consider:

1. Producers overwhelmingly want to use  
check off dollars to promote USA beef based  
upon my personal experiences

2. It only makes good business sense to  
use your advertising dollars to promote your own  
product. How many businesses do you know of  
that spend advertising money to promote the  
competition?

3. I would ask you to please support

HCR 5034



## Ranch Foods Direct LLC

2901 N. El Paso (So. Of Fillmore)  
Colorado Springs, CO 80907  
866-866-6328  
719-473-2306

[www.ranchfoodsdirect.com](http://www.ranchfoodsdirect.com)



March 8, 2008

Re: Letter to Kansas Legislature concerning Beef Checkoff

U.S. cattle producers, who pay the majority of dollars into the beef checkoff, have increasingly derived fewer benefits from their investment. As the packing, processing and retail sectors have become more concentrated into fewer firms, the market has lost the competitiveness necessary to fairly distribute consumer beef dollars back to the producers of cattle.

The checkoff is facilitating U.S. producers being displaced from their own marketplace. As exports have declined due to USDA's unwillingness to serve the desires of our export customers, beef imports continue to increase. Unfortunately, checkoff promotion doesn't distinguish between foreign beef and domestic. Lower quality foreign beef is promoted in the U.S. marketplace as U.S. product, while avoiding the much higher mandated costs of production imposed on U.S. cattle producers.

We are losing our domestic beef packing industry to foreign ownership. After the largest packer in Brazil purchased Swift to become the second or third largest packer in the U.S., they announced the intention to buy National Beef/U.S Premium Beef and the beef division of Smithfield, previously the fourth and fifth largest U.S. packers. By advertising and promoting generic beef sales, the checkoff will be directly benefiting the largest beef packer in the world, JBS Friboi of Brazil, potentially the most threatening global competitor to our U.S. cattle and beef industry. The primary investors in the checkoff continue to lose their market, the most lucrative market in the world, to foreigners.

The checkoff promotes an industry structure contrary to the interests of small and medium sized U.S. packing, processing and distribution companies. The checkoff decision makers, USDA/NCBA (National Cattlemen's beef Association), have supported investing checkoff dollars in interests of the larger multinational beef distribution companies, while denying smaller competitors, like myself, potential promotional benefits in our local and regional markets.

To those of us in the cattle and beef business, the cozy relationship between USDA and "Big Food" (the big packer-processor-retailer cartel) is frightening. The revolving door between USDA<sup>1</sup> and the board rooms of large multinational corporations mandates an unwanted industrial food system that rather than serving the original intent of USDA -- the people's interests -- only serves the interests of the large multinationals. The USDA/Big Food partnership is the enemy of smaller, local providers like Ranch Foods Direct, and is proving to be very dangerous from a food safety perspective as well as exploitive of domestic cattle producers, consumers and the environment.

The checkoff should be eliminated or made to serve those who pay the bill. The checkoff should also serve our national interests first. A domestic marketplace with many buyers and sellers fairly distributing consumer dollars back to the farm and ranch is vital to our nation's interests and a prerequisite to the checkoff working effectively. A beef checkoff that allows for distinguishing U.S. produced cattle and beef in the marketplace would be a vital first step in restoring a fair market system that tells consumers the truth about what they are buying and prevents Big Food from selling cheap, low quality foreign beef to unsuspecting U.S consumers as though it were U.S produced.

Sincerely,

Mike Callibrate

<sup>1</sup> USDA Inc.: How Agribusiness has hijacked regulatory policy at the US Department of Agriculture:

[http://www.agribusinessaccountability.org/bin/view.fpl/1198/cms\\_category/1836.html](http://www.agribusinessaccountability.org/bin/view.fpl/1198/cms_category/1836.html)

*Connecting consumers with family farmers and ranche*

Testimony for House Agriculture and Natural Resources Committee  
RE: HCR 5034  
Wednesday, March 12, 2008 3:30 pm

My name is James Dobbins. I raise cattle near Goff, Kansas, and come before you in support of House Concurrent Resolution # 5034 .

I am a small operator raising about thirty-five to forty head of calves per year. My calves are fattened locally on an ALL-NATURAL BEEF program, processed at a federally-inspected plant in southern Kansas, and finally marketed through Hen House Supermarkets in the Kansas City metro area.

For each animal that I sell, I am assessed \$1 per head for use in beef promotion. For the special care I take with my product and the money I contribute, in my opinion, the funds should be used in promotion of beef produced in the USA. I derive no benefit promoting beef raised, processed, and probably under-inspected, in some foreign country, then imported into the USA to be co-mingled with our domestically produced beef, which in my opinion, is of much better quality than that foreign raised. Being the somewhat selfish person that I am, I would support legislation assessing the beef checkoff money on ALL imported beef, and use the ENTIRE proceeds to promote USA produced beef. If we as United States producers don't act to take care of ourselves, and our customers, who will? USDA hasn't been doing too well as of late.

Therefore, I would urge this committee to support HCR #5034 which encourages the United States Congress to amend the Federal Beef and Promotion Act to allow for a minimum of 50% of the beef checkoff assessments to be used for United States born, raised and processed beef.

Thank you for the opportunity to speak in support of HCR 5034. I represent DWK Farms, am a member of Kansas Cattlemen's Association and the Kansas Agri-Women.

Personally, 50% should be the minimum, and the Beef Research and Promotion Act should allow for all producer checkoff funds allocated for promotion to be used for promoting USA beef.

Coca Cola doesn't support and promote Pepsi, Syngenta doesn't pay to support Monsanto products, and Boeing doesn't pay to support and promote the Air Bus of France! If foreign importers of beef want to support their products, let them pay their check off dollars to do so.

Our beef animals not always pay the \$1.00 per head but the same animal may pay several dollars in its lifetime. Foreign beef producers should label their own products.

In closing, Ed Bozarth of Bozarth Chevrolet, a very close and personal friend, and the largest Chevrolet dealer in our area, doesn't close his advertisements by saying, "Thank You" to Ford!

Thank you for your time, and compare this story to flying the American Flag on the 4th of July.....BUY USA BEEF!

Respectfully,

Wanda Kinney  
13055 S. Berryton Road  
Carbondale, Kansas 66414

**Don M. Rezac**  
**12350 Ranch Road**  
**Emmett, KS 66422**  
**785 535-2961**

DATE: March 12, 2008

TO: Kansas House Agriculture Committee

FROM: Don M. Rezac

RE: House Concurrent Resolution #5034, urging the United States congress to amend the Federal Beef Promotion and Research Act.

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Mr. Chairman, members of the committee, thank you for the opportunity to be here to testify before you today.

I am Don Rezac. In order for you to have some background information about me, I would like to tell you a bit about past. I am a former legislator. I served in the Kansas House from 1983 to January 1995. While a member of the House, I served on the House Ag committee as member, ranking minority member, vice chairman and chairman.

I have farmed and ranched all my life and that is currently the way I make my living. I am not completely out of the political field because I am currently a registered lobbyist for the Kansas Cattleman's Association.

Today I am here to urge you to support House Concurrent Resolution 5034. This resolution urges the United States Congress to amend the Federal Beef Promotion and Research Act to allow for a minimum of 50% of beef checkoff assessments collected to be used for the promotion of United States born, raised and processed beef.

It is my firm belief that emphasis on livestock being born and raised in the United States will increase demand. Increased demand will result in increased income to producers while giving assurance to the consumer the origin of their beef.

Why do I believe this? My family's livelihood comes from productions agriculture. We are in many phases of the beef business. We have a cow/calf herd, background feeders, grass feeder cattle and from time-to-time we fatten cattle. I see the cattle business first hand. As a matter of fact, this week we are harvesting a pen of fat cattle. As a producer, we will be lucky if we only lose \$100 per head while in a commercial feedlot.

Another reason this resolution is important is with the closing of the Tyson plant in Emporia, it leaves us in Eastern Kansas with no slaughter market.

The passage of this resolution would be very helpful. It will encourage the Federal Congress to act on this issue.

I will be happy to answer any questions.

HS Ag & Nat'l Resources  
3-11-08  
Attachment 13