



Beef Business

► A look at current issues affecting the cattle industry

Health tax would 'HIT' small business employees

The Health Insurance Tax (HIT) will hurt small business employees the hardest, according to congressional testimony offered May 9 by New York Farm Bureau President and dairy owner Dean Norton. Testifying before the House Small Business Subcommittee on Health and Technology, Norton, also a board member of the American Farm Bureau Federation (AFBF), encouraged members to cosponsor H.R. 763, which would repeal the HIT.

The HIT, which was passed as part of the *Patient Protection and Affordable Care Act*, will be levied on a health insurance company's net premiums.

"Because of escalating health insurance premiums, we've had to significantly change the cost structure from covering about 90% of the insurance cost to approximately 50% through a high-deductible plan," Norton said. "Unfortunately, the people who are really hurt by this change are the employees. They now have to contribute a larger portion of the expense when they seek medical attention."

Most farmers and other small businesses do not self-insure because they do not have a large enough pool of employees, said Norton. Instead, small employers purchase health insurance on the fully insured market. Because the smallest employers almost never self-insure, they will end up bearing the brunt of the HIT.

H.R. 763, introduced by Reps. Charles Boustany (R-La.) and Jim Matheson (D-Utah), would repeal the annual fee on health insurance providers, preventing premium increases for individuals and small businesses in the fully insured health insurance marketplace.

— Adapted from a release by AFBF.

EPA continues to release producers' personal information

The National Cattlemen's Beef Association (NCBA) is calling for an investigation by the Office of Inspector General after learning that the Environmental Protection Agency (EPA) continues to illegally release information on cattle operations to the activist groups Earth Justice, the Pew Charitable Trust and the Natural Resources Defense Council. In this latest action, the agency again admitted it had released too much information on livestock

producers, specifically producers from Montana and Nebraska. This action happened less than a month after the agency found it had released too much information on livestock producers in 10 states.

NCBA Past President J.D. Alexander, a cattle feeder from Pilger, Neb., whose information was released to the activist groups in the initial EPA action, said it is clear "someone at EPA is either completely incompetent or intentionally violating federal law. Either way, this action shows EPA cannot be trusted with sensitive information and should not have the authority to procure or disseminate it."

The records released in February by EPA include names of producers and operations, locations and in some cases even personal phone numbers for farmers and ranchers who own beef, swine or poultry operations. Most of the 80,000 facilities listed are not regulated under the Clean Water Act (CWA), some having as few as 12 head of livestock.

After NCBA and other livestock groups expressed outrage over the initial release of information, EPA conducted a review of the records and admitted it released too much personal information for 10 of the 29 states included in the documents. After a second review, the agency once again said too much information was released for operations located in Nebraska and Montana.

— Adapted from a release by NCBA.

European Commission proposes rules for safer food

The European Commission on May 6 adopted a package of measures to strengthen the enforcement of health and safety standards for the agri-food chain. The package provides a modernized, more risk-based approach to the protection of health and more efficient control tools to ensure effective application of the rules guiding the operation of the food chain. The package responds to the call for simplification of legislation and smarter regulation, thus reducing administrative burden for operators and simplifying the regulatory environment. Special consideration is given to the impact of this legislation on small- and medium-size enterprises (SMEs) and micro enterprises, which are exempted from the most costly and burdensome elements in the legislation.

The current body of EU legislation covering the food chain consists of almost 70 pieces of legislation. Reform measures will cut this down to five pieces and will reduce the red tape on processes and procedures for farmers, breeders and food-business operators to make it easier for them to carry out their profession.

"The agri-food industry is the second-largest economic sector in the EU, employing over 48 million people and is worth some €750 billion a year. Europe has the highest food safety standards in the world," said Tonio Borg, health and consumer commissioner. "However, the recent horsemeat scandal has shown that there is room for improvement, even if no health risk emerged. Today's package of reforms comes at an opportune moment as it shows that the system can respond to challenges; it also takes on board some of the lessons learned. In a nutshell, the package aims to provide smarter rules for safer food."

Businesses will benefit from simpler, science- and risk-based rules in terms of reduced administrative burden, more efficient processes and measures to finance and strengthen the control and eradication of animal diseases and plant pests. Consumers will benefit from safer products and a more effective and more transparent system of controls along the chain.

— Adapted from a release by the European Commission

ABS Global introduces beef-on-dairy initiative

Dairy producers now have an all-inclusive tool to earn more money for dairy beef calves, segment females into genetic performance groups and improve quality of heifer replacements. ABS Dairy InFocus™ has been introduced as part of the ABS Genetic Management System® (GMS®). This program is aimed to provide producers the opportunity to create premium beef while maximizing dairy profit.

"The days of raising every heifer calf as a replacement are no longer valid, as it costs more to raise heifers than buy replacements," states Tim Timmons, program manager.

The program involves the strategic use of proven beef sires on dairy cows within a comprehensive breeding plan. InFocus enables dairies to increase cash flow and improve future herd genetics. Lower-performing cows are bred to beef bulls and calves are sold at a premium, while top-performing cows are used for heifer replacements.

— Adapted from release by ABS Global.

