

*Fighting for the U.S. Cattle Producer!*



**R-CALF United Stockgrowers of America**  
P.O. Box 30715  
Billings, MT 59107  
Fax: 406-252-3176  
Phone: 406-252-2516  
Website: [www.r-calfusa.com](http://www.r-calfusa.com)  
E-mail: [r-calfusa@r-calfusa.com](mailto:r-calfusa@r-calfusa.com)

---

September 30, 2009

Re: **R-CALF USA's Position on the American Clean Energy and Security Act of 2009 (H.R. 2454)**

Dear Members of Congress:

R-CALF USA is a national association of independent cattle producers. Our industry, like most of this nation, is one highly dependent on abundant and affordable energy. Most input costs in our industry are directly tied to energy: irrigation costs, feed, fuel, and fertilizer are but a few examples.

The American Clean Energy and Security Act of 2009 (H.R. 2454 or "Cap and Trade"), at 1,428 pages, is very complex and includes a host of provisions designed to drive up energy costs and thereby reduce energy consumption. Reduced energy consumption is not favorable to growing an economy.

We urge you to reject H.R. 2454.

**1. H.R. 2454 will add to costs for cattle producers and for the economy in general.**

In documents released Sept. 15, 2009, pursuant to a FOIA request as reported by CBS News, the Treasury Department has put the cost of Cap and Trade at up to \$200 billion per year in new taxes, or \$1,761 per household. The document further reports that the burden of Cap and Trade will equal "all existing environmental regulation," at a time when both cattle producers and the nation's economy are struggling.

Further, Treasury's cost estimates **do not include** the costs which will be placed on cattle producers and the economy in the form of higher energy costs and regulatory burdens, as Treasury's numbers are limited only to new taxes.

**2. Disproportionately higher rural electrical costs will have a severe impact on cattle producers.**

Most independent cattle producers operate in areas served by rural electric co-ops. H.R. 2454 will penalize smaller, lesser-capitalized utilities that cannot readily adapt to renewable technologies vis-à-vis larger, better capitalized utilities. These provisions will result in higher costs to rural electrical users. (See Title I, Subtitles A and B, and the provisions dealing with efficiency/renewable electricity standards, early deployment of carbon capture, and performance standards for coal fired plants.)

**3. HR 2454 is economic suicide.**

China, India, and Brazil, all with surging economies, have rejected the G-8 nations' numerical targets at the recent meetings in L'Aquila, Italy. EPA Administrator Lisa Jackson has said that "U.S. action alone will not impact world CO2 levels." Given that admission—coupled with the unequivocal positions taken by China India, and Brazil—why would this nation unilaterally choose to burden its economy even further in the face of: i) \$63 trillion of debt, and ii) unsustainable trade deficits?

**4. As a consequence of the complexity and length of H.R. 2454, there are many provisions that will affect cattle producers that have not been adequately analyzed.**

Subpart C—Natural Resource Adaptation—is in essence a land and resource grab that will directly impact cattle producers. Section 471 provides that this subpart's purpose is one of establishing "an integrated Federal Program to protect, restore, and conserve the Nation's natural resources in response to climate change..."

Federal lands excepted, the "nation" owns no resources. Section 476, however, establishes a national "strategy" without regard to whether the resource is federally owned. Section 481 creates a national "Wildlife Habitat and Corridors Information Program," which is more than an information gathering process. While creating a database, the data is intended to be used by "federal, state, local and tribal decision-makers to prioritize and target natural resources adaptation strategies and activities." Included specifically is the identification and prioritization of "key parcels of non-Federal" in-holdings in the National Forest System, or National Grassland System..."

This portion of the bill has absolutely nothing to do with CO2 emissions but everything to do with the control of natural resources. It is rife with future conflicts and takings issues under the Fifth Amendment of the U.S. Constitution.

We urge you to reject this bill: i) it is too costly; ii) it will not impact CO2 levels in the face of non-cooperation by China, India, and Brazil; iii) it places a disproportionate burden on rural electric cooperatives; and, iv) it contains provisions totally unrelated to CO2 emissions, but instead, regulations that will create a host of future conflicts between the federal government and states, private land owners, and local governments over natural resource uses.

Sincerely



R.M. Thornsberry, D.V.M  
President of the Board