

2020 | ANNUAL REPORT



CATTLEMEN IN THE SPOTLIGHT AND HEADLINE EVENTS

ALLISON - NEW EXECUTIVE DIRECTOR

In May, Allison VanDerWal, originally from Sanborn, MN, started as the Executive Director for MSCA. Over the past seven months, she has met with producers to discuss issues in their area, aided in communication with legislators, dealt with forthcoming COVID-19 issues and attended NCBA Summer Business Meeting to provide a voice for Minnesota beef producers during policy discussions.

2019 CONVENTION



The Minnesota Cattle Industry and Convention was held December 12 - 14th, 2020 in Wilmer, Minnesota. It was an opportunity for members and industry stakeholders to come together and discuss issues and successes in the beef industry over the past year. This event is the last stage in the grassroots policy formation with the conclusion of member voting on resolutions, interim and expiring policy. Members heard from state and national legislative advisors, experts on sustainability, handling stress, nuisance lawsuits and grazing practices. During the annual meeting, members elected leadership for the Minnesota State Cattlemen's Association who have served as the governing body and carried out the duties as directed by the membership of the Association over the past year.

NCBA CONVENTION



Minnesota was well represented in San Antonio at The Cattle Industry Convention and NCBA Tradeshow February 5-8, 2020. Don Schiefelbein, of Kimball, MN, was elected as the NCBA Vice President. Dana and Thor Didrikson of Badger, MN, were recognized as the winners of the Region III Environmental Stewardship Award. Katie Brenny, of Mazeppa, MN, was elected to serve on the Cattlemen's Beef Board Operating Committee. Minnesota

State Cattlemen's Association Region VII Director Angie Ford, of Lake Wilson, MN, was recognized for being the 2nd place NCBA Top Hand Recruiter.

TOP OF CLASS



The Minnesota Top of Class is a dynamic year-long educational experience featuring multi-day state seminars along with an out of state experience to conclude the program. The goal of the program is to equip participants with the training, knowledge and experiences they need to be valued advocates for the beef industry. MSCA Regional Directors, Ted Brenny and Angie Ford, were participants of this year's program.

WEBINAR SERIES



In June, The Minnesota Cattlemen's Association joined the Nebraska Cattlemen and Kentucky Cattlemen's Association to host education webinars for producers. Webinars were hosted the first

Tuesday of every month at 7:00 p.m. and covered a variety of topics from China trade deals, adding value to feeder calves and risk management. Although we did not have a webinar in November and December due to the election and convention, we look forward to hosting another one in January 2021!

MINNESOTA BEEF UPDATE RADIO PROGRAM

To reach more members with both policy and checkoff updates, MSCA joined forces with the Minnesota Beef Council for a weekly radio spot featuring the work of both organizations. This 1-minute segment highlights policy and checkoff-funded activities, beef research and industry information relevant to producers. Here is where and when you can find the radio program in your area:

- Linder Network - Mondays at 12:45 p.m.
- Red River Farm Network - Wednesdays at 12:35 p.m.
- KASM (Albany) - Mondays at 12:20 p.m.
- KDHL (Faribault) - Tuesdays at 6:00 a.m.
- WNAX - Wednesdays at 8:30 a.m.

STATE PRIORITY ISSUES

AG POLICY BILL

Passed and signed by Governor Walz in May, the Ag Policy Bill makes policy and technical changes to seed laws, noxious weed laws, loan programs, industrial hemp provisions, meat processing regulations and grain buyer contracts. There are also provisions modifying agriculture education programs and language granting immunity to veterinarians who report suspected animal cruelty.

AG FINANCE BILL

The Ag Finance Bill was also passed in late May providing funding for the following:

- \$675,000 for the Veterinary Diagnostic Laboratory to purchase equipment,
- \$175,000 to cover loan origination fees for restructured loans,
- \$125,000 in grants to retail food handlers to develop COVID-19 safety procedures,
- \$100,000 for assistance to valued-added businesses affected by COVID-19,

- \$100,000 for grants to independent meat and poultry processors to expand operations,
- \$60,000 for farm advocate services,
- \$50,000 to develop a grain storage facility safety grant program,
- \$50,000 to develop a grain storage facility safety curriculum and design a remote grain equipment power shut off mechanism, and
- \$40,000 in additional funding for farm and rural mental health services.

SECTION 179 TAX CONFORMITY

This October, the Minnesota legislature passed, with bipartisan support, a \$1.9 billion bonding bill. Included in this bonding bill was the passage of full conformity of Section 179 Small Business Expensing. The Minnesota State Cattlemen's Association worked with other Minnesota agriculture groups to express the need of Section 179 and are grateful for the bipartisan support from our Minnesota Legislators.

GRAZING ON PUBLIC LANDS

In July, the MSCA in collaboration with the Minnesota Farm Bureau and Minnesota Farmer's Union partnered with both Minnesota Departments of Agriculture (MDA) and the Department of Natural Resources (DNR) to streamline the application process for the grazing and haying on wildlife management areas (WMA). Producers have been able to graze and hay public lands before this announcement, but the application process was long and time-consuming. Year after year all parties have discussed interest in increasing public land disturbance using livestock. In the spring, the COVID-19 pandemic brought concerns of forage shortages with proposed estimates of backlogged cattle and little hope for increasing packing capacity soon do to outbreaks in packing facilities and accommodating social distancing guidelines. During the same time, the DNR was looking for other methods to cause disturbance on wildlife management areas that followed social distancing guidelines. These combined needs between the cattle industry and DNR speed up discussions between the associations to simplify

applications and understand what is needed from both parties increase cattle on public lands. Although we did not increase acres grazed to DNR and MSCA goals, both parties are excited to continue working together to help share the benefit of grazing livestock on wildlife habits and increase the presence of grazing on WMAs.

MANURE PERMITS AND FEES

This year the MPCA worked to update the NPDES manure permits for 2021-2026. The changes made were not compliant with 7020 rules, completely based in science and would result in roadblocks for producers to use the best animal welfare practices if implemented. In total, 144 comments were submitted and of those, 130 comments were against these changes. Producers, veterinarians, industry stakeholders and livestock associations, along with MSCA, submitted comments against these claims. Currently, there has been no ruling on these changes from MPCA.

NATIONAL PRIORITY ISSUES

GRAY WOLF



In October, The Department of the Interior and U.S. Fish and Wildlife Service announced the removal of the gray wolf from the Endangered Species Act (ESA) of the United States. For many years, the Minnesota State Cattlemen's Association

has been communicating to legislators, biologists and government agencies the concerns and economic impact of wolf predation on beef operations as the gray wolf population has continued to increase. With this ruling, gray wolf management and protection is now in the hands of state officials who can understand what is needed to ensure livestock and the gray wolf can successfully coexist in our state. The State is currently updating the wolf management plan which should be announced this coming year.

USMCA

This July, the U.S. Mexico Canada trade agreement was implemented. This trade agreement protects market-based principles while making improvements in other trade areas to meet the needs of a growing and evolving North America. The agreement created opportunities for farmers and ranchers by making improvements on agriculture market access, labor, intellectual property and digital trade to name a few.

CHINA TRADE DEAL

In January, President Trump signed the Phase One deal with China that removed nontariff trade barriers such as bans on production technologies, extensive traceability requirements and the 30-month of age BSE restriction, giving Chinese consumers access to

U.S. Beef. American-produced beef was banned from China for 14 years, and this signing was the beginning of removing trade barriers and improving access to nearly 1.4 billion consumers. Although there are still many non-science-based tariffs still in place, this is a start to significantly improve access to a potential top export market for the U.S. beef producer.

COVID RELIEF

As the world began to understand impact of COVID, the MSCA, MBC and NCBA were trying to understand and mitigate suffering due to the pandemic. The MSCA sent a letter to all the Minnesota members of the U.S. Congress and Senate sharing concerns over market volatility and COVID-19 concerns. This helped craft relief packages for beef farmers and ranchers that became the CARES ACT. We shared the need to temporarily waive "Hours of Service" regulations. We communicated with officials the status of transportation waiver needs, among other tasks to help aid suffering and bridge the communication gap between our members with legislators and government officials.

CATTLE MARKET POLICY

Broken cattle markets have been a hot topic since the Holcomb Kansas fire and have continued as the COVID-19 pandemic continues to affect the beef industry. At the NCBA Summer Business meeting, policy was passed to support a voluntary framework to increase frequent and transparent negotiated trade to increase price discovery. This policy directed a sub-working group to develop this framework to include triggers that if tripped, NCBA would support legislative measures to improve price discovery as directed by the membership. The "75% plan" as it has been called has been established and will begin January 1st, 2021.

Off the charts! That is the only way a person can describe 2020. I hope now that harvest is wrapped up you all had the incredible yields like our state was forecasted to have. The markets have been counter seasonal and improving through harvest. As I'm writing this the cattle market is on a run higher. In my part of the state we had perfect weather for crops and cattle. It was also a stellar year for MSCA.

Membership is up and continuing to climb. NCBA membership is up again for the third straight year. This is very important when we go to St. Paul and to NCBA meetings. The more members we have the more influence we have. Please keep up the great job of telling your neighbors and friends why you are members and what we can do for them.

Although we had to side line most of our favorite events we made the most of what we had. At the end of October Minnesota was the location for the US Department of Interior and the Fish and Wildlife to announce the delisting of the Grey Wolf. So many people have put in countless hours to make that happen. It's very fitting that they chose MN since we have the highest population in the lower 48 states and our producers have had to deal with them the longest. We spent a lot of time working with our members of Congress working on ways to try and insure our members are able to continue raising cattle through this pandemic. We were able to get Allison hired and she has sure hit the ground running. She came onboard at the tail end to the covid push and as she said was drinking from a firehose the first month things were coming at her so fast. As things have calmed down I see great things in our future with her help. Katie was again a bright spot for the beef industry. MSCA and the MBC are truly lucky to have her holding down the fort and keeping things straight. She can always find the answer to a question. 2020 also had us say goodbye to Karin, she was very helpful to continue building our relationship with the MBC. Kelly has stepped right into the role of Minnesota Beef Industry CEO and I look forward to our continued relationship with him at the helm. Even though their duties don't overlap with MSCA often I could not leave out two important people to MN cattle producers. Becky and Royalee thank you both for what you do.

Thank you to the other board members. You all put in extra time this year to help get through the new world we live in. You all made time for extra conference calls and zoom meetings. Your leadership was helpful to me for direction.

Because of your continued membership we can continue to work in St. Paul and Washington DC to protect your interests in the beef industry. Thank you for your membership!

Mike Landuyt
MSCA President

