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U.S. Cattlemen's Association Written Comments  
U.S. Department of Agriculture NAIS Roundtable April 15, 2009

Preface:

The United States Cattlemen's Association (USCA) is pleased to offer comments on a National Animal Identification System (NAIS).

USCA opposes mandatory participation in the National Animal Identification System (NAIS). However, USCA has continued to participate in the discussions concerning NAIS. We have encouraged USDA to develop a standardized voluntary program that incorporates existing systems used to mitigate and eradicate animal diseases in the U.S. We support the continued use of existing programs such as brand inspection, health certificates, brucellosis tags, tuberculosis tags and other animal health trace back programs.

U.S. cattle producers understand the need for an effective animal health trace back system and the risks associated with animal disease outbreaks. Ranchers understand the economic and social consequences of a domestic animal disease crisis in America. Cattle producers' steadfast opposition to the NAIS proposal sends a strong message to policy decision-makers that they are not satisfied with the fundamentals of the proposed system. After years of development and millions of dollars invested, far too many unanswered producer questions remain about what NAIS is, if it even exists, what it will evolve into in future years, and most importantly, how much the system will cost.

Background:

NAIS was first introduced as a modern, streamlined information system intended to help producers and animal health officials respond quickly and effectively to animal disease events in the United States.

Before long, the program morphed into something quite different. USDA intimated that the program would be privatized and at least one national group and a number of companies began positioning themselves publicly to reap the benefits of a privatized NAIS, touting unsubstantiated direct economic benefits of marketing cattle enrolled in, and tagged under, NAIS. Producer distrust and discontent grew rapidly when USDA appeared complicit in the plan to privatize the system, a decision many producers viewed as premature and a risk to their confidential business information within the NAIS database.

USDA administrators then announced that the system would remain voluntary. In spite of that announcement, USDA began entering into cooperative agreements with certain states and other entities. Administrators said the goal of these cooperative agreements was to enhance producer participation in NAIS components, i.e. premises registration. Some agreements resulted in producers being paid directly to enroll in the system or funds were used to reward enrollees with material items. As a result, several states initiated a mandatory NAIS for youth involved in live animal projects under FFA and 4-H, both of which are USDA-driven programs and several states made NAIS mandatory. USDA's current NAIS business plan outlines continuing funding for these cooperative agreements, despite producer objections.

Producers have repeatedly requested that USDA conduct a cost-benefit analysis of the system so that all stakeholders will have an understanding of the potential benefits and associated economic consequences. To date, this has not been done. Yet, producers are aware that a significant cost-benefit analysis was contracted by APHIS through Kansas State University. This study has not been released publicly. USDA has not offered any straight forward answers to producer questions about what the costs of the program will be and who will pay.

Cattle producers raise a commodity. Subsequently, we are price takers, not price makers. We have no way to pass the costs of this program on to consumers. We are forced to compete in international markets with third-world countries and the result is that we have to be lowest cost producers in order to compete. Our competitive edge is regularly compromised by government regulations and bureaucracy. It is only natural that producers would want to have a cost-benefit analysis completed in order to understand the economic effect on their livelihoods. Yet, these questions have remained unanswered, fueling producer resistance.

Recently, USDA issued, then canceled and re-issued a Veterinary Services Memorandum dealing with the standardization of premises identification numbers with the Code of Federal Regulations. Certainly, the goal should be standardizing and harmonizing federally administered animal disease programs, but the mishandling of the original memorandum enhanced producer frustration and concern.

Recent public discussion of the 840 tagging system under NAIS has created a great deal of confusion. USDA has not provided any substantial clarity on the 840 system, i.e. will the 840 tags be metal, will they be a typical flat ear tag, or will they be an RFID tag, will they be recognized and accepted by state and federal animal health officials administering disease programs.

Over the course of years, cattle producers have repeatedly expressed their concern with tying animal identification information to a premise registration number that is, in turn, tied to private property. To date, USDA has not addressed producers concerns about the ramifications to property rights or any conveyance of rights to the federal government under the premises registration component of NAIS.

Further issues with premises registration numbers arise when a ranch is operated by a tenant or a leaseholder. It is unclear why a premises registration number would be assigned to the property and not the leaseholder. These questions remain unanswered.

### Summary:

Producer lack of confidence in USDA regarding NAIS has become a significant issue. Until USDA restores that confidence, producers are not likely to participate in a voluntary NAIS and likewise, that lack of stakeholder confidence and support will be the demise of any efforts to implement a mandatory system.

Disease controls begin at U.S. borders. The U.S. has an excellent track record of eradicating and mitigating animal diseases because of its import standards. We must work to strengthen those import standards rather than reduce them. Policy decision-makers must not lose sight of what has made the U.S. the top beef producing nation in the world and the factors that have made the U.S. cattle industry competitive in the top consuming beef markets.

A cost-benefit analysis must be conducted as is required by the Regulatory Flexibility Act with full transparency. We urge a timely release of the recently completed analysis completed for APHIS by Kansas State University.

It would be helpful if USDA presented a legal analysis that outlines why a premises registration is not binding to the land and does not harm the private property rights of the landowner. Consideration should be given to utilizing a locator identifier that relates to the animal owner and not the animal owner's real property.

Recording every movement of cattle under NAIS is an issue for producers. Recording all movements of cattle, particularly from one premise to another when both premises are part of one operation and no change of ownership is involved, or cattle do not enter commerce, is unduly burdensome. This must be rectified.

The funding of cooperative agreements to enhance enrollments in components of NAIS must be halted.

USDA must provide definitive clarity about the 840 tagging system.

### Closing:

Most producers are fully aware that some members of Congress are intent on imposing a mandatory animal identification system. Producers want to work with Congress and the U.S. Department of Agriculture to make necessary improvements to the current voluntary system in order to avert the implementation of a mandatory program that imposes unnecessary costs and burdens on their private businesses. Core issues of

concern must be addressed and questions must be answered before cattle producing stakeholders will participate. The U.S. Cattlemen's (USCA) stands ready to facilitate a positive outcome but efforts to do so will be futile unless USDA takes a fresh new approach to existing issues.

Respectfully submitted by,

A handwritten signature in black ink that reads "Chuck Kiker". The signature is written in a cursive, slightly slanted style.

Chuck Kiker  
USCA Director Region V,  
Chairman USCA Animal Health Committee