



RE: (Docket ID No. APHIS-2021-0020)

March 1, 2024

Office of Management and Budget,

Thank you for taking the time to meet with Livestock Marketing Association (LMA). I write to follow up on key points and with some additional information discussed in the meeting.

As we stated, the shift in presumption for tags under the Animal Disease Traceability (ADT) program to be funded by farmers and ranchers rather than USDA is concerning. Language used in this proposal such as *“assuming the Federal government does not provide either NUES or EID tags free of charge in the future”* (21-020-1 RIA, p. 18) is a significant departure from a decade-long investment in the program as well as the Regulatory Impact Analysis (RIA) for the current rule (APHIS-2009-0091) where the agency explicitly stated *“the federal government would/will supply metal eartags and eartag applicators to States or Tribes free-of-charge for distribution to cattle operations, if resources allow”* (p. 17). The RIA for the current rule showed zero cost to producers for tags, again stating tags will be provided (p. 19).

Our members discussed the proposed electronic tags being nearly nine times more expensive than the existing tags. This is based on the estimated cost of \$3,272,931 for current NUES tags, if producers were to pay for them, and the estimated cost of \$29,312,391.25 for electronic tags (21-020-1 RIA p. 17 and 18). While we anticipate the USDA cost to procure these tags at a bulk discount would be significant, this information is not included in the RIA. The cattle industry requests rationale for shifting the cost of tags and a clear financial picture of the alternative of USDA continuing to purchase and provide tags.

The stated benefits of electronic tags (accuracy, speed, etc.) will only be experienced if the tags are read and data submitted electronically. In surveying livestock auction markets, state veterinarians, and veterinary groups, LMA has discovered significant gaps remain in access to electronic identification readers and especially accompanying data management systems.

Finally, the growing number of beef on dairy crossbred cattle was discussed. CattleFax and the National Association of Animal Breeder estimates, based on semen sales, indicate 3.22 million beef on dairy calves will be born in 2024 (<https://www.dairyherd.com/news/business/beef-dairy-revolution-american-beef-production>). Other estimates show between 2.5 and 5 million beef on dairy calves born annually (<https://www.bovinevetonline.com/news/industry/beef-dairy-crosses-continue-earn-their-way>).

If you desire clarification or additional conversation, please reach out to Chelsea Good, LMA Vice President of Government and Industry Affairs and Legal, at cgood@lmaweb.com or 816-305-9540.

Sincerely,

Mark Barnett
LMA President