

March 4, 2009

The Honorable John Thune
493 Russell Senate Office Building
Washington, DC 20510

The Honorable Charles Schumer
313 Hart Senate Office Building
Washington, DC 20510

Dear Senators Thune and Schumer:

On behalf of the American Farm Bureau Federation, the nation's largest general farm organization, I commend your bipartisan efforts to introduce legislation that would effectively prevent the Environmental Protection Agency (EPA) from imposing a fee or tax on American animal agricultural operations through the Title V permit program operated under the Clean Air Act (CAA). Farm Bureau supports this legislation and will encourage every senator to support it as well.

Last year, in an Advance Notice of Proposed Rulemaking (ANPR) issued by EPA, the U.S. Department of Agriculture noted: "*If GHG emissions from agricultural sources are regulated under the Clean Air Act, numerous farming operations that currently are not subject to the costly and time-consuming Title V permitting process would, for the first time, become covered entities. Even very small agricultural operations would meet a 100-tons-per-year emissions threshold. For example, dairy facilities with over 25 cows, beef cattle operations of over 50 cattle, swine operations with over 200 hogs, and farms with over 500 acres of corn may need to get a Title V permit.*" (**Federal Register, page 44377**). Based on USDA's concerns, Farm Bureau consulted public documents and data available from EPA and the Department of Energy (DOE)¹ and calculated that the cost of such permitting could equate to \$175 per dairy cow; \$87.50 per head for beef cattle; and \$21.87 per hog in swine operations. We included these figures in our comments on the ANPR to the agency.

These comments quickly entered the vernacular as the "cow tax," and reaction among farmers and ranchers across the nation was swift and widespread. While staff of EPA responded that the agency lacked authority for imposing such a tax, the agency in fact never spoke directly to the issue at hand – the fees associated with Title V permitting and how such fees might affect agricultural operations should the agency decide to regulate greenhouse gas (GHG) emissions under the Clean Air Act. Thus, the concerns farmers raised are real. They are all the more pressing now as the agency is reportedly looking at potentially regulating GHGs under the CAA.

The legislation you are introducing is timely and critical for farmers and ranchers. We welcome its introduction and look forward to working with you in favor of its consideration as Congress

¹ Relevant documents are available at http://www.epa.gov/air/oagps/permits/pdfs/fee70_2009.pdf) and www.eia.doe.gov/oiaf/1605/rrfi/excel/SEIT%20Draft%20Nov2006.xls.)

grapples with the many issues related to legislation that seeks to regulate and reduce carbon emissions.

Sincerely,

Bob Stallman
President

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