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Agricultural Marketing Service, USDA
Room 2628-S, STOP 0251
1400 Independence Avenue SW
Washington, DC 20250-0251

RE: Docket number AMS-LS-11-0086, March 2, 2012 Federal Register, pages 12752-12754.

South Dakota Farmers Union (SDFU) appreciates the opportunity to comment on the U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) proposed rule that would expand the contracting authority as established under the Beef Promotion and Research Order.

SDFU has long been a proponent of modernizing the beef check off system in an effort to get more industry inclusion for contracting authority. SDFU believes that the checkoff should be transparent and accountable to all producers no matter their organizational affiliation. We believe the proposed rule change is a positive step toward providing complete transparency and will help the check off reach its full potential by better promoting beef. SDFU championed a resolution through our grassroots membership at our state convention earlier this year, which was later passed by delegates to the National Farmers Union convention in March of this year. Among the items listed in the resolution was a call for no organization to be awarded more than 50 percent of the checkoff funds contracted. We believe this would provide the checkoff a fund management tool for the purpose of capping the contractual capacity.

South Dakota Farmers Union applauds USDA in addressing the issue of expanded contracting authority. We hope this rule improves the program to further benefit the producers who pay into the mandatory beef checkoff. By allowing organizations which have been operating for at least two years to be eligible to apply for checkoff contracted funds, we believe greater emphasis on promoting beef will be created. Competition is essential to any segment of agriculture including our mandatory checkoff programs. We urge conclusion to this portion of the rule making progress and swift final action to allow greater checkoff accountability.

Sincerely,

Doug Sombke, President
SD Farmers Union