

NATIONAL PUBLIC LANDS GRAZING CAMPAIGN

Why Ranchers Should and Do Support the Multiple-Use Conflict Resolution Act

The Multiple-Use Conflict Resolution Act (MUCRA) (H.R. 3166) would be a safety net for federal public lands grazing permittees and lessees facing a variety of challenges and impediments to their ranching operations. Passing this legislation would allow ranchers to waive their federal grazing permits/leases in exchange for a one-time payment of \$175 per AUM (animal unit month, the measure by which grazing permits/leases are issued).

Public lands ranching has always been a marginal business. Federal public lands in the West are generally more arid than private lands, and unproductive for livestock grazing.. A century ago homesteaders claimed the green, productive valley bottomland for themselves and the remainder, unsuitable for cultivation, became public land. These lands are the same leftovers that public lands ranchers graze today, with great difficulty.

The nation's evolving economy, international trade, demands on public lands, and more recently, drought, have combined to make public lands grazing untenable for many of the 24,000 permittees/lessees in the West.¹

Economics

Over the years, beef imports have increased and with the recent discovery of BSE (mad cow disease) in the United States, exports have declined. Relatively stagnant beef prices coincide with increased production costs (labor, fuel, equipment, supplies, et cetera). Public lands ranchers typically operate the most marginal of ranching operations. Where obtaining a production loan to work lush farmland is often difficult, securing a loan for a public lands ranching operation borders on impossible. With so many variables that can go wrong and with little collateral to secure a loan, banks have little interest in these operations.²

Recreation Conflicts

Federal lands are our nation's playgrounds and the rapid growth of Western cities increases the demand for recreation space every year. While recreation is a legitimate use of public lands, it is yet another challenge confronting public lands ranchers. Responsible recreationists complain about resource degradation caused by livestock, increasing political pressure on ranchers to alter their grazing practices. Irresponsible recreationists leave gates open, damage fences, and shoot at pipelines and water tanks, leaving ranchers with costly repairs.

Drought

Perhaps the most visible change on the landscape in the last 5 years is the prolonged "drought."

Many scientists now believe that the past 100 years may have been the wettest century of the last millennium. Now, the current drought compares in length and severity to the Dust Bowl of the 1930's. It may also be the most severe drought in the last 500 years. If ranching in this climate was challenging before, it is now approaching impossible. Recognizing that the present climate may simply be a return to normal desert conditions in the West, the forecast for improved grazing conditions is bleak.

Environmental Conflict

Aside from the obvious decrease in vegetation needed to sustain livestock, the current drought has forced federal land management agencies to reduce allowable grazing numbers even further in order to protect

the integrity of the land. This is necessary to protect native plants, wildlife and the viability of local watersheds that supply both farms and cities with water.

Of course, the necessary enforcement of these environmental laws increases the hardships faced by public lands ranchers.

Voluntary Buyout is the Answer

The voluntary grazing permit buyout program proposed in MUCRA is *voluntary*. Those who would opt not to take a buyout may continue grazing their federal allotments as they do now. The decision belongs solely to the one who works on the land on a daily basis, the rancher.

Some will stay. As many public lands grazing allotments remain viable (national grasslands for example), many ranchers will continue to use their permits and pass them on to their heirs. These ranchers might also find it easier to obtain a production loan given that their permits would have a recognized value that could be used as collateral with that passage of H.R. 3166.

Some will leave. Especially in the hot deserts (the Mojave, Sonoran and Chihuahuan), ranchers with assets stranded in grazing permits will finally have a way out. Others may like to have the buyout program as an insurance policy for worsening drought, changing economics or increased recreation pressures.

Buyout is an Option Every Public Lands Rancher Should Want

- ***It's lucrative.*** The proposed rate of \$175 per animal unit month is much more than the westwide market value of \$35-75/AUM.

- ***There are no strings attached.*** The instant infusion of cash would allow a permittee to payoff the bank; downsize their grazing operation to their base property; acquire additional private land to maintain or increase the size of their existing operation, without the hassles inherent in public lands grazing; retire; and/or leave a financial legacy for their loved ones.

- ***It's a hedge against permit reductions.*** Public lands grazing is a privilege that the government may revoke or reduce at any time without compensating permittees. However, if a permit buyout program existed, if/when permit reduction or revocation was required, a permittee could — at any time before the adjustment became final — elect to sell their permit and receive generous compensation instead.

¹ Professor Jerry Holechek noted in 2001 that encroaching suburbanization of western rangelands “severely compromise[s] remaining ranches by increasing property taxes; vandalism; restrictions on management practices such as burning, weed control and predator control; marauding dog problems; trespass; carelessness with gates and fences; loss of livestock from theft and vehicle accidents; and liability. J. L. Holechek. 2001. Western ranching at the crossroads. *Rangelands* 23(1): 18 (citation omitted).

² While private property, buildings and stock can be used as collateral for ranch operating loans, often a major part (if not the most valuable collateral) of any public lands ranching operation is its federal grazing permit/lease. While the real estate market has traditionally recognized a value in grazing permits, that value is declining and banks increasingly realize that a grazing permit is not secure collateral for a ranch loan.