

June 8, 2010

The Honorable Tim Johnson
United States Senate
136 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Johnson:

On behalf of the undersigned South Dakota agricultural organizations, we urge your support of S.J. Res. 26, a resolution to disapprove the regulation of greenhouse gases by the Environmental Protection Agency (EPA) under the Clean Air Act (CAA). The proposed regulatory actions carry severe consequences for the U.S. economy, including America's farmers and ranchers, through increased input costs and international market disparities.

Both current and past Administrations acknowledge that the CAA is not the appropriate vehicle for establishing greenhouse gas policy. However, EPA's finding that greenhouse gases endanger public health and welfare will, by default, essentially regulate through the CAA greenhouse gas emissions. Millions of entities, including farms and ranches, would be overwhelmed by compliance costs and subject to burdensome CAA regulations. While EPA has attempted to craft a "tailoring rule" to ease such a burden, we are skeptical of its effectiveness in accomplishing this goal.

Case in point – EPA estimates there are more than 37,000 farms that will eventually be required to obtain operating permits under Title V due to emissions above the current Clean Air Act threshold levels but below the 25,000 tons per year threshold that EPA had proposed as a starting point to phase in permit requirements. The final EPA "tailoring rule" estimates the average cost for these permits is \$23,200 per permit. That would cost farmers more than \$866 million, just to obtain the required permits.

The EPA rule itself claims to establish only a weak, indirect link between greenhouse gases and public health and welfare, going so far as to admit there are uncertainties over the net, direct health impacts of the greenhouse gases EPA is attempting to regulate. Further, EPA Administrator Jackson acknowledged that unilateral actions by the United States would have no material impact on global warming. In short, EPA's finding puts the U.S. agricultural economy at grave risk based on allegations of a weak, indirect link to public health and welfare and despite the lack of any environmental benefit.

Throughout the climate debate, members on both sides of the aisle have said this issue should be decided by Congress, not the EPA, and we agree. S.J. Res. 26 offers the clearest and most sensible approach to ensure this occurs. The resolution does not attack the science of climate change, nor does it prevent the Senate from taking up other legislative vehicles addressing carbon emissions. It does not affect other programs under the Clean

Air Act. The sole issue is whether Congress will defer to a regulatory agency on a matter that affects virtually the entire economy.

All of the undersigned organizations support S.J. Res. 26 and we urge you to vote "yes" on the resolution.

Sincerely,

SD Agri-Business Association
SD Association of Conservation Districts
SD Association of Cooperatives
SD Cattlemen's Association
SD Corn Growers Association
SD Farm Bureau
SD Grain & Feed Association
SD Pork Producers Council
SD Soybean Association
SD Wheat, Inc.

Cc: Senator Lisa Murkowski
Senator John Thune
Representative Stephanie Herseth Sandlin