

February 13, 2024

The Honorable Kay Granger
Chair
House Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Patty Murray
Chair
Senate Committee on Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Rosa DeLauro
Ranking Member
House Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

The Honorable Susan Collins
Vice Chair
Senate Committee on Appropriations
U.S. Senate
Washington, DC 20510

Chair Granger, Chair Murray, Ranking Member DeLauro, and Vice Chair Collins,

As organizations that strive to ensure economic fairness and transparency in the marketplace, we urge you to oppose any policy riders in the FY 2024 Agriculture Appropriations bill that would prevent the U.S. Department of Agriculture (USDA) from writing, finalizing, and implementing rules under the Packers and Stockyards Act (P&S Act).

Over the last few years, USDA advanced rules to revitalize the P&S Act, a critical pro-competition law designed to protect family livestock producers and consumers from anticompetitive practices by dominant firms in the sector. Originally enacted in 1921, it prohibits meatpackers and poultry companies from subjecting farmers, ranchers, and consumers to anticompetitive, deceptive, and abusive business practices, and gives USDA and the Department of Justice (DOJ) tools to address this conduct when it occurs. But the law has not kept up with changes in the livestock industry, which over the past fifty years has seen rampant consolidation, reduced market transparency, and the rise of unfair contract terms for farmers and ranchers.

Opponents of competitive agricultural markets are seeking to roll back the work USDA has already completed, prevent USDA from making additional progress on these rules, and prevent any similar effort in the future. These harmful provisions were included in a rider in the FY2024 Agriculture, Rural Development, and Food and Drug Administration Appropriations bill in the House. The same strategy was employed by opponents of the P&S Act during the Obama-Biden administration, when similar rulemakings were delayed so severely that the attempt to update the P&S Act failed.

We support USDA's recently finalized P&S Act rule to increase clarity and transparency in poultry growing contracts and the pending rule to provide stronger protections for market vulnerable individuals. The policy rider would not only halt implementation and finalization of the completed rules, but would also endanger the most essential aspects of the work to strengthen the P&S Act. USDA is expected to propose a more comprehensive rule addressing abuses in the contract poultry growing system and a rule clarifying USDA's long-standing interpretation that it is unnecessary under the P&S Act to demonstrate industry-wide harm to establish a violation of the Act.

Given the excessively high concentration in the livestock and poultry industries today and the spate of price fixing among meatpackers that lowered prices paid to farmers and increased prices paid by consumers, restoring the P&S Act is as important as ever. Paired with heightened enforcement of our antitrust laws by the DOJ, USDA can help ensure the success of the investments it has made in local, regional, and value-added markets to help farmers access new markets in a hyper-consolidated marketplace.

To ensure our nation's family farmers and ranchers can thrive, we urge you to oppose any policy riders that would prevent USDA from promulgating and finalizing a strong set of rules that would reinvigorate the P&S Act.

Sincerely,

National Organizations

American Economic Liberties Project
Campaign for Contract Agriculture Reform
Campaign for Family Farms and the Environment
Consumer Federation of America
FACT (Food Animal Concerns Trust)
Farm Action Fund
Farm Aid
Farm and Ranch Freedom Alliance
Food & Water Watch
Government Accountability Project
Institute for Agriculture and Trade Policy
Institute for Local Self-Reliance
National Cooperative Business Association (NCBA CLUSA)
National Family Farm Coalition
National Farmers Union
National Organic Coalition
National Sustainable Agriculture Coalition
Open Markets Institute
Organic Farming Research Foundation
Organic Seed Alliance
R-CALF USA
Rural Advancement Foundation International
U.S. Cattlemen's Association
Western Organization of Resource Councils
Women, Food and Agriculture Network (WFAN)

State and Regional Organizations

Carolina Farm Stewardship Association (NC) (SC)
Chicago Food Policy Action Council (IL)
CISA (Community Involved in Sustaining Agriculture) (MA)
Community Alliance with Family Farmers (CA)
Community Farm Alliance (KY)
Dakota Rural Action (SD)
Independent Beef Association of North Dakota
Independent Cattlemen of Missouri
Independent Cattlemen of Wyoming
Illinois Stewardship Alliance
Iowa Citizens for Community Improvement
Iowa Stock Growers Association
Kansas Rural Center
Land Stewardship Project (MN)
Maine Federation of Farmers' Markets
Maine Organic Farmers and Gardeners Association
Marbleseed
Michigan Food and Farming Systems
Michigan Organic Food and Farm Alliance
Missouri Rural Crisis Center
New Entry Sustainable Farming Project
NOFA/Mass
Northeast Organic Dairy Producers Alliance
Northeast Organic Farming Association of New York (NOFA-NY)
Northeast Organic Farming Association of Vermont (NOFA-VT)
Northeast Organic Farming Association-Interstate Council (CT, MA, NH, NJ, NY, RI, VT)
Northern Plains Resource Council (MT)
Ohio Ecological Food and Farm Association
Pasa Sustainable Agriculture
Powder River Basin Resource Council (WY)
Renewing the Countryside (MN)
Rhode Island Food Policy Council
South Dakota Stockgrowers Association
Southern Colorado Livestock Association
Texas Center for Local Food
Texas Organic Farmers and Gardeners Association (TOFGA)
Virginia Association for Biological Farming

CC:

The Honorable Mike Johnson, Speaker of the House

The Honorable Chuck Schumer, Majority Leader, U.S. Senate

The Honorable Hakeem Jeffries, Minority Leader, U.S. House of Representatives

The Honorable Mitch McConnell, Minority Leader, U.S. Senate