June 13, 2023

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

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

Dear Chair Granger and Ranking Member DeLauro,

The 102 undersigned organizations are writing to urge your opposition to any appropriations policy riders to limit the rulemaking authority of the Secretary of Agriculture under the Packers and Stockyards Act. The Packers and Stockyards Act is one of the most important federal statutes for our nation’s livestock and poultry farmers and ranchers. It prohibits meatpackers and poultry companies from using their market power to subject farmers and ranchers to anticompetitive, deceptive, fraudulent and abusive business practices, and gives the Department of Agriculture and Department of Justice powerful tools to police this conduct when it occurs.

Although the Act was originally enacted in 1921, its importance is even greater now because of the highly concentrated and vertically integrated nature of the livestock and poultry industries. Over the last fifty years, these industries have seen rampant consolidation due to widespread underenforcement of our antitrust laws. Today, the four largest processors in each sector control 70% of the market for hogs, 62% for sheep and lambs, and 85% for cattle. This has given dominant meatpacking corporations considerable market power and enabled their use of unfair contracting provisions and retaliatory practices that are abusive and harmful to family farmers.

Whether it be a contract poultry grower whose contract is abruptly terminated when they resist taking on overwhelming debt for corporate-mandated facility upgrades, a cattle producer who loses money year after year because the only packer in their market can manipulate the price of beef, or a livestock producer who experiences retaliation after they speak up against a corporation’s unfair practices, farmers and ranchers are being driven out of business and off their land across this nation. For decades now, these farmers and ranchers have been demanding that their government take action to ensure that the markets they compete in are fair for everyone.

In response to these widespread concerns, the Biden administration’s *Executive Order on Promoting Competition in the American Economy* directed USDA to complete a Packers and Stockyards rulemaking process that truly protects farmers and ranchers. USDA has already completed comment periods on two proposed rules: “Transparency in Poultry Grower Contracting Tournaments” and “Inclusive Competition and Market Integrity Under the Packers and Stockyards Act,” and is anticipated to issue additional important proposed rules.
in the upcoming year. The proposed rules already issued would provide critical protections to our nation’s livestock producers, including:

- Requiring poultry companies to be transparent with prospective and current contract poultry growers about contract terms and the real incomes they are likely to earn,
- Prohibiting deceptive contracting practices used by dominant corporations to take advantage of producers,
- Increasing protections against discrimination and retaliation by major meatpacking corporations reported by numerous livestock and poultry producers they sell to or contract with.

This is not the first time the packers and processors have used appropriations riders to prevent USDA from addressing their monopoly power. In response to past attempts to secure these desperately needed reforms, these corporations have successfully lobbied Congress to use this back-door approach to block the completion of clear Packers and Stockyards rules. Now these same corporations and their allies are once again using the cover of a 130-page appropriations bill to derail the rulemaking process. Sections 737 and 738 of the House FY24 Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations bill prohibit USDA from finalizing its proposed rules, and seek to hobble the USDA’s ability to appropriately staff the Packers and Stockyards Division so that it can effectively enforce the Act. To make matters worse, these riders also prohibit the Department from engaging in any further rulemaking before the committee has had the opportunity to consider what the Department may propose.

This rider is an unacceptable attack on the ability of the Department of Agriculture to do its job: protecting American farmers and ranchers and ensuring fair and competitive markets. Instead of carrying water for multinational meatpacking corporations, we urge the House Appropriations Committee to stand with American farmers and ranchers and reject any attempts to limit the Secretary’s authority under the Packers and Stockyards Act, or the USDA’s capacity to fully and effectively enforce it.

Sincerely,

National Organizations

Campaign for Contract Agriculture Reform

Campaign for Family Farms and the Environment

Farm Action Fund

National Farmers Union

National Sustainable Agriculture Coalition

RAFI-USA

Western Organization of Resource Councils
American Agriculture Movement
American-Arab Anti-Discrimination Committee
American Economic Liberties Project
American Grassfed Association
American Indian Mothers Inc.
American Society for the Prevention of Cruelty to Animals
American Sustainable Business Network
Center For Food Safety
Climate Crisis Policy
Consumer Federation of America
Consumer Reports
Demand Progress
Economic Security Project Action
Family Farm Defenders
Farm Aid
Farm and Ranch Freedom Alliance
Farm Forward
Food & Water Watch
Food Animal Concerns Trust
Friends of the Earth U.S.
Government Accountability Project Food Integrity Campaign
Government Information Watch
HEAL Food Alliance
Health Care Without Harm
Institute for Agriculture and Trade Policy
Michael Fields Agricultural Institute
National Center for Health Research
National Employment Law Project
National Family Farm Coalition
National Farm to School Network
National Organic Coalition
Natural Resources Defense Council
Open Markets Institute
Organic Farming Research Foundation
P Street
People's Action
Public Citizen
Public Justice Food Project
R-CALF USA
Renewing the Countryside
Rural Advancement Fund of the National Sharecroppers Fund
Rural Coalition
Socially Responsible Agriculture Project
The Earth Bill Network
The Wave Foundation
Union of Concerned Scientists
United Food & Commercial Workers
International Union

U.S. Cattlemen's Association
Women, Food and Agriculture Network

State and Regional Organizations

21st Century Youth Leadership Movement
Buckeye Quality Beef Association
California Dairy Campaign
California FarmLink
Coastal Enterprises, Inc.
Colorado Independent Cattle Growers Association
Dakota Rural Action
Illinois Stewardship Alliance
Independent Beef Association of North Dakota
Independent Cattlemen of Nebraska
Independent Cattlemen of Wyoming
Indivisible CA Green Team
Iowa Citizens for Community Improvement
Kansas Cattlemen’s Association
Kansas Rural Center

Land Stewardship Project
Maine Organic Farmers and Gardeners Association
Marbleseed
Michigan Food and Farming Systems
Missouri Coalition for the Environment
Missouri Rural Crisis Center
NOFA/Mass
Northeast Organic Dairy Producers Alliance
Northeast Organic Farming Association-Interstate Council
Northeast Organic Farming Association of New York (NOFA-NY)
Northeast Organic Farming Association of Vermont (NOFA-VT)
Northern Plains Resou
Ohio Ecological Food and Farm Association
Pasa Sustainable Agriculture
Progress Michigan
Salmonberry Tribal Associates

Local Organizations, Farms and Businesses
Buffalo River Watershed Alliance
Callicrate Cattle Company
Chicago Food Policy Action Council
CISA (Community Involved in Sustaining Agriculture)
Dirigo Food Safety
Food Policy Council of San Antonio
Hyde Farms
Lauing Mill Iron L Ranch
Southern Colorado Livestock Association
Stevens County Cattlemen's Association
Venice Resistance
Wild Roots Farm

South Dakota Stockgrowers Association
Sprout