

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Although the Act was originally enacted in 1921, its importance is even greater now because of the highly concentrated and vertically integrated nature of the livestock and poultry industries.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

National Sustainable Agriculture Coalition

Campaign for Family Farms and the Environment

RAFI-USA

Farm Action Fund

Western Organization of Resource Councils

National Farmers Union

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

The Wave Foundation  
Union of Concerned Scientists

U.S. Cattlemen's Association

United Food & Commercial Workers  
International Union

Women, Food and Agriculture Network

State and Regional Organizations

21st Century Youth Leadership Movement

Land Stewardship Project

Buckeye Quality Beef Association

Maine Organic Farmers and Gardeners  
Association

California Dairy Campaign

Marbleseed

California FarmLink

Michigan Food and Farming Systems

Coastal Enterprises, Inc.

Missouri Coalition for the Environment

Colorado Independent Cattle Growers  
Association

Missouri Rural Crisis Center

Dakota Rural Action

NOFA/Mass

Illinois Stewardship Alliance

Northeast Organic Dairy Producers  
Alliance

Independent Beef Association of North  
Dakota

Northeast Organic Farming Association-  
Interstate Council

Independent Cattlemen of Nebraska

Northeast Organic Farming Association of  
New York (NOFA-NY)

Independent Cattlemen of Wyoming

Indivisible CA Green Team

Northeast Organic Farming Association of  
Vermont (NOFA-VT)

Iowa Citizens for Community  
Improvement

Northern Plains Resou

Kansas Cattlemen's Association

Ohio Ecological Food and Farm  
Association

Kansas Rural Center

Pasa Sustainable Agriculture

Progress Michigan

South Dakota Stockgrowers Association

Salmonberry Tribal Associates

Sprout

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