

**F**amily farmers and ranchers—and all involved in the food supply chain—have overcome many challenges to secure our food supply through 18 months of the COVID-19 pandemic. As we faced new challenges, the root cause of so many problems was exposed: extreme concentration in the food system and corporate control of agricultural markets.

In just the past year, an extreme drought, wildfires, severe storms, and hurricanes have affected our farms, ranches, and communities. Rising average temperatures and more frequent and extreme weather events complicate our operations, consequently threatening rural livelihoods and national food security.

To help with these issues, Congress and the Biden Administration are considering legislation that would strengthen infrastructure across the country. These efforts would combat climate change, fund agricultural research, spur rural development, and support renewable energy and biofuels.

This week, family farmers and ranchers from across the country are convening online as part of National Farmers Union's virtual legislative fly-in. During meetings with elected officials, they will highlight challenges and propose sensible legislative solutions to help ensure the long-term success of family farm agriculture, establish equity in our food system, and support the prosperity of rural communities.

## HERE'S HOW:

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- 1 Competitive Markets
- 2 Rural and Agricultural Infrastructure
- 3 Addressing Disasters and Climate Change

# COMPETITIVE MARKETS

**M**arket concentration is evident across all sectors of the food supply chain with only a few firms controlling the bulk of U.S. food processing and manufacturing. Corporate mergers have consolidated these firms, increasing their power to unfairly manipulate market conditions while eliminating competition for family farmers and ranchers.

Lax antitrust enforcement allows these corporations to dominate every step of agricultural production. If the growing concentration of ownership in agriculture and expansion of unfair business practices are not investigated, farmers and ranchers will remain at the mercy of these market-controlling entities.

In July, President Biden issued an executive order on competition encompassing 72 initiatives and involving more than a dozen federal agencies, including a list of issues important for agriculture and rural communities. The order is a monumental step towards bringing fairness to the American economy.

Several Congressional hearings have further investigated the state of the meat industry and how a lack of competition negatively impacts farmers, ranchers, consumers, and rural communities. As efforts continue to rebuild and strengthen our

economy, policymakers are right to shine a light on the lack of competition as a root cause of many of the problems we face.

The 100-year-old Packers and Stockyards Act (PSA) was originally intended to protect poultry and hog farmers and cattle ranchers from unfair, deceptive, and monopolistic practices in the meat market. But for the last few decades, USDA has not fully enforced these important protections for farmers and ranchers, which has enabled rampant consolidation.

Until recently, cattle markets had been insulated from some of the worst abuses. But cattle sales are increasingly negotiated through contracts that lack transparency. Without oversight, companies are able to depress the prices paid to farmers and ranchers.

But it isn't just about prices. The meatpacking industry is susceptible to disruptions, such as the pandemic, cyberattacks, and extreme weather events. With that in mind, there is growing support for addressing corporate power and building a more resilient and equitable food supply chain. We must press on until there is fairness for farmers.

## BY THE NUMBERS:

**Just four companies** control 85% of beef packing, 85% of corn seed production, 84% of the pesticide market, and 90% of global grain trading, while two companies manufacture nearly half of U.S. farm machinery.

Over the last five decades, **40% of flour mills and 88% of meat processing facilities have gone out of business**, leaving just 166 mills and 1,100 meat plants today.

**Price fixing lawsuits** have been brought against major meat processors in the last five years and have resulted in fines and settlements. Most recently, Tyson Foods agreed to pay \$221.5 million to settle several private lawsuits brought forward by poultry farmers.

“Because there is so much consolidation, there is very little cash transaction that takes place in this market, and so it's very difficult to determine whether or not the prices that are being paid to farmers are fair.”

—*Secretary Vilsack, Sept. 8, 2021*

## WHAT CONGRESS CAN DO:

**Support bills that would help farmers and ranchers gain access to a fair marketplace:**

- S. 949, the “50/14 bill”
- S. 543, the Cattle Market Transparency Act
- S. 225, the Competition and Antitrust Law Enforcement Reform Act of 2021
- Expedite the renewal of Livestock Mandatory Reporting (LMR) legislation

Urge the Department of Justice (DOJ) to **follow through with antitrust investigations** in the agricultural sector and prosecute any violators of the laws in place.

**Support USDA's rulemaking on Packers and Stockyards Act provisions to:**

- Require poultry integrators to provide fairer wages to growers.
- Make it easier for farmers to legally challenge unfair practices without a fear of being retaliated against.
- Address market practices that are unfair, discriminatory, or deceptive to farmers and ranchers.

# RURAL AND AGRICULTURAL INFRASTRUCTURE

**F**armers rely on our nation's highways, railways, waterways, and broadband to stay connected with the rest of the world. A boost to our nation's infrastructure will benefit American agriculture, help revitalize the economy, keep us competitive with our trading partners, and help to mitigate extreme weather and climate change.

In August, the U.S. Senate passed H.R. 3684, the INVEST in America Act: a \$1.2 trillion infrastructure package including \$550 billion in new federal infrastructure investment over the next five years. The bill would fund broadband, highways and bridges, waterways, freight rail, public transit, and a new infrastructure bank. Paired with the budget reconciliation bill also under consideration in Congress, there is an opportunity for historic federal investment in America's physical and social infrastructure.

## **Broadband**

The bill aims to close the digital divide with provisions that end digital redlining and help more low-income households access the internet. It also provides extra funding to USDA programs

for broadband service facilities in rural areas and creates new grant programs that will help deploy broadband infrastructure.

## **Transportation**

The INVEST in America Act includes part of the Haulers of Agriculture and Livestock Safety (HAULS) Act of 2021. This will cut burdensome hours of service requirements so that agricultural and livestock haulers have greater flexibility to safely deliver their products to market.

## **Climate Infrastructure**

Last year, American farmers faced 22 extreme weather and climate-related disaster events. H.R. 3684 includes funds to protect against droughts and floods. For western water infrastructure, the bill authorizes new programs and funding for storage, conveyance, maintenance and repair, recycling and reuse, drought contingency, desalination, and a new watershed health competitive grant program. Also included is funding for existing USDA Natural Resources Conservation Service (NRCS) programs that improve the resilience of watersheds.

## BY THE NUMBERS:

In rural areas, nearly **a quarter of the population lacks access to broadband internet**, according to the Federal Communications Commission.

“One in five miles, or 173,000 total miles, of our highways and major roads and 45,000 bridges are in poor condition. Bridges in poor condition pose heightened challenges in rural communities, which often may rely on a single bridge for the passage of emergency service vehicles.”

—*White House Statement of July 28, 2021*

## WHAT CONGRESS CAN DO:

Pass **H.R. 3684**, the INVEST in America Act, and oppose changes that could threaten its passage.



# ADDRESSING DISASTERS AND CLIMATE CHANGE

**F**amily farmers and ranchers are bearing the brunt of dry, hot weather in much of the country in recent months. These conditions have led to severe losses of crops and livestock, and put the livelihoods of family farmers and ranchers in jeopardy. Other extreme weather events and natural disasters, such as wildfires, hurricanes, and hailstorms, affect farming operations every year.

These calamities are exacerbated by climate change. Climate change is leading to rising average temperatures, more severe storms, precipitation extremes, and increased risks of wildfires. Without dramatic action, these problems are expected to get worse.

Fortunately, family farmers and ranchers hold great power to address this crisis—and many are already doing so. They have implemented conservation practices to build soil health, making the land more resilient to shifts in precipitation, temperature, and pest pressure. Many of these practices help sequester

atmospheric carbon in the soil. Farmers are also reducing greenhouse gas emissions generated by fossil fuels by producing renewable energy on their land and growing biofuel crops.

These efforts offer many benefits, but they are often expensive, technically demanding, and time consuming to implement. To make on-farm climate action accessible, farmers and ranchers need financial and technical support, market opportunities, and pragmatic policy. They also need stable, reliable, and fully-funded disaster assistance programs so that when extreme weather events occur, they can press on to farm another year.

Biofuels also have an important role to play, and there are many benefits to adopting low-carbon, high octane ethanol blends. Higher ethanol levels increase engine and vehicle efficiency, providing greater GHG emission reductions, as well as reducing emissions of criteria pollutants and air toxics such as benzene, toluene, and xylene. Several studies show the many benefits of high octane, low carbon fuels, such as E30.

## BY THE NUMBERS:

USDA has historically only been able to accept **one-quarter of all applications** for working lands conservation programs.

**The 2010s were the hottest decade on record.**

56% of the contiguous U.S. was **abnormally dry or worse** as of September 1, 2021; of that, 26% was facing extreme or exceptional drought.

**3 million acres** across the U.S. have been burned by wildfires this year, as of August 1, 2021.

The Department of Energy's Argonne National Laboratory shows ethanol's average carbon intensity is now 44 to 52% lower than gasoline's carbon intensity, and Argonne's most recent analysis has found that ethanol's carbon intensity has declined 23% since 2005.

## WHAT CONGRESS CAN DO:

Extend and improve the Wildfire and Hurricane Indemnity Program Plus (**WHIP+**), and improve and make permanent the Livestock Forage Program (**LFP**) and the Emergency Livestock Assistance Program (**ELAP**).

Support investments in current USDA programs that help combat climate change, including the Environmental Quality Incentives Program (**EQIP**) and the Conservation Stewardship Program (**CSP**), and renewable energy and energy efficiency programs like the Rural Energy for America Program (**REAP**).

Enact the bipartisan **Growing Climate Solutions Act (GCSA)**, which has passed the Senate but has not yet been voted on by the House. The GCSA would facilitate farmer participation in voluntary carbon markets.

Support the **Next Generation Fuels Act, H.R. 5089**, which cleans up our nation's gasoline supply and transitions light duty vehicles to low carbon, high octane fuel use to reduce greenhouse gas emissions, improve air quality and increase fuel efficiency.