



**FAIRNESS FOR SMALL-SCALE FARMERS AND  
RANCHERS ACT  
SECTION-BY-SECTION  
Co-Lead: Rep Earl Blumenauer**

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**Title 1: Moratorium on and Review of Large Agribusiness,  
Food and Beverage Manufacturing, and Grocery Retail  
Mergers**

**Sec. 101.** Moratorium on large agribusiness, food and beverage manufacturing, and grocery retail mergers.

- Establishes a moratorium on large agribusiness mergers until the problem of market consolidation is addressed through comprehensive legislation. The comprehensive registration must come after the FTC/DOJ reviews in Sec 102 are complete.

**Sec. 102.** Retroactive Review of Large Agribusiness, Food and Beverage Manufacturing, and Grocery Retail Mergers

- Requires the Department of Justice (DOJ) and the Federal Trade Commission (FTC) to review mergers in the agricultural sector approved since January 1, 2006 that were subject to a premerger notification and a waiting period.
- Requires the DOJ and the FTC to consider whether to unwind mergers once reviews are done if they determine that the merger has materially harmed (1) competition nationally or in local markets, (2) farmers or ranchers, (3) workers, or (4) consumers.
- Appropriates funds for the DOJ and FTC to complete the review and unwinding
- Provides the DOJ with additional investigative authority to conduct the review and unwinding.

## **Title 2: Farm System Reforms**

### **Sec. 201.** Local agriculture market program

- Extends funding for Local Agriculture Market Program (LAMP), which provides funding for local food by consolidating existing programs into a single program. LAMP creates a one-stop-shop at USDA for farmers, organizations, and other stakeholders, making it easier for them to receive support for local and regional food projects.

### **Sec. 202.** Restoration of mandatory country of origin labeling for beef and pork; inclusion of dairy products

- Restores mandatory country of origin labeling requirements for beef and pork and extends country of origin labeling to include dairy products.

### **Sec. 203.** Definitions in Packers and Stockyards Act, 1921

- Sets forth definitions of terms used in the Packers and Stockyards Act and in the current bill.

### **Sec. 204.** Unlawful practices

- Forbids certain practices in livestock buying and selling such as use of a contract that does not contain a firm base price, is not offered for bid in an open and public manner, is based on a formula price, or provides for the sale of a number of livestock animals over a given amount.
- Forbids packers from owning or feeding livestock directly except under certain outlined conditions; taking actions that would adversely affect competition; engaging in unfair, discriminatory, and deceptive practices and devices; limiting the legal rights of livestock producers; terminating a contract with a livestock producer except under certain conditions; and misleading livestock producers.
- Forbids packers engage in conduct that limits or attempts from retaliation against livestock producers, describes what constitutes lawful communication, and forbids the use of tournament systems for poultry.

### **Sec. 205.** Spot market purchases of livestock by packers

- Defines the requirements for a purchase and sale of livestock by a packer from a producer, including base price, length of time to slaughter, competitive bidding at the time the sale is made, and inclusion of non-affiliated producers.

**Sec. 206.** Investigation of live poultry dealers

- Clarifies existing authority over live poultry dealers as stated in the Packers and Stockyards Act.

**Sec. 207.** Ensuring fair practices in agriculture

- Finalizes regulations to protect small farmers from retaliation: Requires USDA to crack down on unfair and anti-competitive business practices from big meat and poultry processors by finalizing the Farmer Fair Practice rule, also known as the GIPSA rule.

**Sec. 208.** Award of attorney fees

- Specifies that the court must award an attorney's fee as part of the costs to a prevailing plaintiff in a civil action under section 204 of the Packers and Stockyards Act.

**Sec. 209.** Review and Report on Fragility and National Security in the Food System

- Requires GAO to conduct and submit a report to Congress on the fragility of our nation's food system with respect to meat and poultry

**Sec. 210.** Technical amendments

- Various amendments which clarify the Packers and Stockyards Act.

### **Title 3: Providing Resources for Beginning, Retiring, and Socially Disadvantaged Farmers and Ranchers**

**Sec. 301.** Reauthorization and increased funding for outreach and assistance for socially disadvantaged farmers and ranchers and veteran farmers and ranchers.

- Authorizes \$100 million over five years for outreach and assistance to beginning, retiring, and social disadvantaged farmer and rancher development programs.

### **Title 4: Livestock, dairy, and poultry supply chain infrastructure**

**Sec. 401.** Livestock, dairy, and poultry supply chain infrastructure grants and loans.

- Frees up USDA Rural Development grants to fund small meat processing facilities.

**Sec. 402.** Pilot program for increased accessibility to inspection and technical assistance for eligible processing facilities.

- Creates a 5-year pilot program to increase the number of small processing meat centers by expanding the number of available processing inspectors.
- Authorizes \$50 million for this pilot program.