

March 12, 2013

The Honorable Barbara Mikulski  
Chairwoman  
Committee on Appropriations  
United States Senate  
Washington D.C. 20510

The Honorable Richard Shelby  
Ranking Member  
Committee on Appropriations  
United States Senate  
Washington D.C. 20510

Dear Chairwoman Mikulski and Ranking Member Shelby:

We are writing to raise our strong objections to a legislative provision in Fiscal Year 2013 Consolidated and Further Continuing Appropriations Act of 2013 (aka Fiscal Year 2013 Senate Substitute Continuing Resolution) to legislate policy limitations on the ability of the U.S. Department of Agriculture to address anti-competitive and fraudulent practices in the livestock and poultry sectors, and to require USDA to rescind existing Packers and Stockyards Act regulations that provide commonsense transparency, disclosure and capital investment protections for poultry farmers in their contract relationship with poultry companies.

In addition to placing a general limitation on the ability of USDA to address a whole array of fraudulent, deceptive, anti-competitive and retaliatory practices that have become commonplace in the livestock and poultry sectors, Section 742 of the Senate Continuing Resolution actually rescinds specific poultry farmer protection regulations that had been previously approved for final promulgation by the Fiscal Year 2012 Agriculture Appropriations. According to procedures outlined in the final FY 2012 Agriculture Appropriations bill, USDA stopped its work on a subset of proposed Packers and Stockyards Act regulations, and moved forward in finalizing another subset of regulations under procedures specified in the bill. The result was that USDA issued a final livestock and poultry rule under its Packers and Stockyards Act authorities on December 9, 2011. The gross mistreatment of poultry growers has been widely reported and the USDA regulations respond directly to the directives from the 2008 Farm Bill requiring USDA to address the most egregious of these abuses. Those rules, which are now in effect, would be rescinded by the Fiscal Year 2013 Continuing Resolution now pending in the Senate.

Thousands of producers and consumers that we collectively represent were deeply disappointed by the decision to include the Packers and Stockyards Act policy rider in the Fiscal Year 2012 appropriations bill. We are nonetheless very supportive of the final GIPSA rule, and its provisions to provide more clarity about the criteria the agency will use in determining when certain livestock marketing practices will be considered to be violations of the Packers and Stockyards Act. These criteria are issued in direct response to the requirements of sections 11005 and 11006 of the 2008 Farm Bill, and serve to provide greater regulatory clarity and transparency for livestock and poultry market participants.

We strongly object to the use of the appropriations process as a mechanism to legislate limitations on the Administration's ability to respond appropriately the complex anti-competitive market concerns. We urge that Section 742 be removed from the bill prior to Senate passage.

Sincerely,

Alabama Contract Poultry Growers  
Campaign for Contract Agriculture Reform  
Contract Poultry Growers of the Virginias  
Farm and Ranch Freedom Alliance  
Food & Water Watch  
Hmong National Development, Inc.  
Land Stewardship Project  
National Family Farm Coalition

National Farmers Union  
National Sustainable Agriculture Coalition  
R-CALF USA  
Rural Advancement Foundation International-USA  
Western Organization of Resource Councils