

NATIONAL CHICKEN COUNCIL

June 16, 2022

The Honorable Debbie Stabenow
Chair, Senate Committee on Agriculture
731 Hart Senate Office Building
Washington, D.C. 20510

The Honorable John Boozman
Ranking Member, Senate Committee on
Agriculture
141 Hart Senate Office Building
Washington, D.C. 20510

Dear Chair Stabenow, Ranking Member Boozman, and Members of the Committee,

Companies that produce and process chicken are an integral part of the United States' economy, which directly employs 408,672 people and generates an additional 516,732 jobs in supplier and ancillary industries, totaling nearly \$18 billion in direct wages annually. According to the most recently available data, the industry was responsible for more than \$153 billion in total economic activity throughout the country. Not only does the chicken industry create jobs, but the companies and employees in the industry pay nearly \$19 billion in federal taxes and \$12 billion in state and local taxes.

The Meat and Poultry Special Investigator Act of 2022 (S. 3870), which is scheduled for consideration in a Senate Committee on Agriculture markup on Wednesday, June 22, would create an Office of the Special Investigator for Competition Matters within USDA, headed by a political appointee from the Secretary of Agriculture, with authority to investigate Packers and Stockyards Act (PSA) violations. This single position would be granted authority to bring civil action at will against a meat or poultry processor for PSA violations. It also charges this office with liaising with DHS on cybersecurity issues.

USDA already has a longstanding group of seasoned lawyers under current law charged with enforcing the PSA, with the authority to investigate practices and, if needed, bring administrative action to force compliance. This bill would duplicate these enforcement functions already in place at USDA, adding more bloat and cost to the federal bureaucracy.

Currently, when USDA wishes to initiate civil action against a processor, it calls on the Department of Justice (DOJ). The applicable U.S. Attorney's office then coordinates cases across the department to ensure an alignment of priorities and resources. This is not a special aspect of the PSA or USDA; most federal agencies work through DOJ in this manner when bringing civil actions. This bill would upend this well-established framework, bypassing DOJ with a single political appointee given carte blanche power to file lawsuits in federal courts. The result would be the confusion of the law enforcement chain of command, undermining of DOJ's role as the litigation arm of the federal government, and could risk massive confusion and misapplication of scarce resources.

Creating another office within USDA that would presumably require additional compliance costs of processors with the goal to lower food prices for Americans does not follow basic economics. These additional costs would come during a time when producers, processors, and consumers are facing the highest levels of inflation in four decades.

Finally, this bill would complicate cybersecurity coordination across the U.S. government, and it is highly unlikely a PSA attorney would have any cybersecurity expertise.

This legislation, if enacted, would negatively impact 474 chicken processing facilities in the U.S. As Andy Green, USDA's Senior Advisor for Fair and Competitive Markets, said in an April 27th Senate Committee on Agriculture hearing, "Between 2010 and today, there has been a 40 percent decline in the staffing in the Packers and Stockyards [Division]."

Rather than pursue this duplicative, costly, and severely misguided bill, Congress should seek to fulfill the President's FY2023 budget request for oversight and enforcement of the Packers and Stockyards Act. Simply, enforce the laws on the books.

The National Chicken Council understands that the Meat and Poultry Special Investigator Act will come under consideration at Wednesday's markup and urge that the bill not receive a vote. Further, if this is considered in a markup, we respectfully request that you vote **NO** on the Meat and Poultry Special Investigator Act of 2022.

If you have any questions, please do not hesitate to contact us.

Respectfully,

NCC President Mike Brown

A handwritten signature in blue ink, appearing to read "Mike Brown", with a long horizontal flourish extending to the right.