



June 15, 2022

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives

Dear Speaker Pelosi and Leader McCarthy,

On behalf of the more than 200,000 members of National Farmers Union (NFU), I urge you to vote in favor of H.R. 7606, the Lower Food and Fuel Costs Act. This bill contains several provisions that NFU strongly supports as part of our Fairness for Farmers campaign. It will provide relief to consumers who are increasingly pressured by rising prices due to corporate control of the marketplace and will help build our rural economies through renewable, affordable fuels infrastructure.

The Lower Food and Fuel Costs Act includes the Meat and Poultry Special Investigator Act, led by bipartisan cosponsors Rep. Abigail Spanberger (D-VA) and Mariannette Miller-Meeke (R-IA). For far too long, the largest meat packers have used their monopoly power to push down prices paid to farmers and ranchers while raising prices for consumers and reaping massive profits. In 2019, the spread between boxed beef and fed cattle prices reached a historic high, only to be eclipsed in 2020. All the while, packer profits continued rising, with net margins topping 300 percent at the end of 2021 as compared to before the pandemic. This bill will augment the ability of the U.S. Department of Agriculture (USDA) to carry out investigations into wrongdoing and abuse of market power and will help to bring about greater fairness for farmers.

Furthermore, the Butcher Block Act, introduced by Rep. Dusty Johnson (R-SD) and a bipartisan group of cosponsors, would build upon the initiatives USDA is undertaking to expand opportunities for independent meat processors. Increasing producers' choices for marketing their livestock is essential for building a fair and competitive market.

The provisions to allow year-round sales of E-15 are a step in the right direction in usage of higher-level blends of ethanol. Increased use of ethanol is a boost to rural economies and lowering prices at the pump for consumers. Over the last decade, wholesale ethanol has saved consumers 17 percent when compared to wholesale gasoline. Additionally, the funds provided in this bill to increase infrastructure for biofuels, particularly blender pumps, will bolster our homegrown biofuels industry and will give consumers more affordable fuel choices.

The Strengthening Agriculture and Food Supply Chain Act, led by Reps. Angie Craig (D-MN) and Dusty Johnson (R-SD), is also included in H.R. 7606, and will create a task force at USDA to evaluate the strengths and weaknesses of the food supply chain. It will consider current vulnerabilities and identify recommendations for the security and resiliency needed to prevent future disruptions. Just as consumers are feeling the effects of supply chain issues, so are farmers. By evaluating our agricultural marketplace and food system we can better equip farmers and ranchers to respond and adapt to these obstacles.

Passage of this important set of provisions is a high priority for Farmers Union members. There is a long list of issues that must be addressed in our food system, and the policies included in H.R. 7606 will make important and much-needed progress. I urge you to vote in favor of the Lower Food and Fuel Costs Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Larew". The signature is fluid and cursive, with a large initial "R" and "L".

Rob Larew
President