

United States Senate

WASHINGTON, DC 20510

May 5, 2021

The Honorable Debbie Stabenow
Chair,
Committee on Agriculture, Nutrition & Forestry
U.S. Senate

The Honorable John Boozman
Ranking Member,
Committee on Agriculture, Nutrition & Forestry
U.S. Senate

Dear Chair Stabenow and Ranking Member Boozman,

As the Committee on Agriculture, Nutrition & Forestry (Committee) considers the reauthorization of Livestock Mandatory Price Reporting (LMR), we are requesting a hearing on cattle markets as soon as feasible.

The LMR was developed to facilitate transparent price discovery and provide all market participants with comparable levels of market information. The current law expires on September 30, 2021, and we acknowledge this law must stay in place and not lapse. However, in light of a rapidly changing livestock marketplace, we must convene stakeholders to publicly discuss program changes and provide the Committee feedback on several bills that have been introduced to assist the cattle industry.

We have a responsibility to faithfully address producer and consumer concerns while the Committee considers this reauthorization. As the Coronavirus supply chain disruptions have shown, the cattle market is one of the most vulnerable supply chains in the United States and Congress must act to address this problem.

Pricing discrepancies between fed cattle and boxed beef are pushing cattle producers and feeders to the brink of going out of business. We continue to hear from producers that they would prefer a marketplace that is fair and transparent over government payments.

The four major beef packing companies control over 80 percent of the cattle industry. These companies have the advantage of procuring cattle from thousands of producers, acting as a chokepoint for the entire industry. Given the critical nature of their operations, these packers dominate the marketplace and limit opportunity for pricing negotiations.

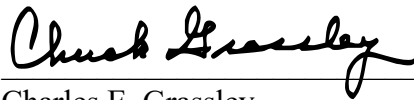
We are requesting that you work with us to agree on a diverse set of stakeholders, government officials, business executives, and subject matter experts to explain the challenges that cattle producers are currently facing and offer ways to improve LMR.

Thank you for the consideration of this request. We look forward to working with you to ensure the success of American agriculture for years to come.

Sincerely,



Tina Smith
United States Senator



Charles E. Grassley
United States Senator



Senator Ben Ray Luján
United States Senator



Deb Fischer
United States Senator



Cory Booker
United States Senator



Joni K. Ernst
United States Senator



Mike Braun
United States Senator