United States Senate WASHINGTON, DC 20510

June 23, 2020

The Honorable Sonny Perdue Secretary of Agriculture U.S. Department of Agriculture 1400 Independence Ave., S.W. Washington, DC 20250

Dear Secretary Perdue:

On May 19, 2020, President Trump issued Executive Order (EO) 13924 to provide regulatory relief to support economic recovery both during and after the COVID-19 pandemic. Following the EO, we urge you to specifically examine regulations within the U.S. Department of Agriculture (USDA) which create impediments to a diversified meat processing industry.

On June 9, 2020, Congressman Jim Jordan and his colleagues on the House Judiciary Subcommittee on Antitrust, Commercial, and Administrative Law sent you a letter regarding meat processing. They asked you to "consider four areas for regulatory and programmatic reform." Those areas were Hazard Analysis and Critical Control Point (HACCP) Plans, Meat Label Submission and Approval Process, Cooperative Interstate Shipment (CIS) Program, and USDA's Food Safety and Inspection Service (FSIS) Overtime Requirements. We echo their sentiments and ask for your swift action.

Four beef processing companies control 80% of the market and they use high-capacity processing facilities to perform their work. This oligopolistic market structure has exhibited its weakness during COVID-19. When high-capacity processing facilities experienced outbreaks amongst employees, operations were forced to shut-off or slow down production, leaving the rancher with livestock they could not move and the consumer with either empty grocery shelves or overpriced products.

These pitfalls can be avoided in the future if we take action today to promote a diversified food supply chain. Regulations must be streamlined to remove barriers impeding small and medium-sized meat processors. Executive Order 13924 is an appropriate venue to address these problems and we encourage you to do so.

Thank you for your work to mitigate the economic effects of the COVID-19 pandemic on the agriculture economy. We look forward to working with you on behalf of America's producers and processors throughout this process.

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Sincerely,

Ron Wyden

United States Senator

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John Barrasso, M.D. United States Senator

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Michael B. Enzi United States Senator

Steve Daines United States Senator

Doug Jones United States Senator

John Hoeven United States Senator