

MEAT PACKING SPECIAL INVESTIGATOR ACT (S. 3870)

Introduced By Sens. Tester, Grassley, and Rounds

*Cosponsored by Sens. Stabenow, Thune, Booker, Daines, Hoeven,
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BACKGROUND

Congress passed the *Packers and Stockyards (P&S) Act* in 1921 to address serious concerns about anticompetitive activities among meat packers. The *P&S Act* provides the U.S. Department of Agriculture (USDA) the authority to protect farmers, ranchers, and consumers from unfair, deceptive, discriminatory, and monopolistic practices.

However, anticompetitive behavior in the meat packing industry is still hurting both consumers and producers. **The meat packing industry is more consolidated today than ever.** Today, just four companies operate 18 of the top 20 beef slaughter facilities in the country – *an even more consolidated market than the one that spurred Congress to act and write the P&S Act a century ago.*

PROBLEM

Unfair, anticompetitive practices in the meat packing industry put rural communities and the family agriculture way of life at risk. Producers across the country are facing uncertainty about access to a competitive market as a result of consolidation.

Consolidation also creates significant costs for American families. In recent months, consumers have faced significant increases in the price of meat, while the big packers are announcing record profits and coming under fire for claims of price fixing. **Fighting anticompetitive behavior from the big packers is critical to lowering costs for consumers so they can balance their budgets and feed their families.**

While USDA and the Department of Justice (DOJ) have both made commitments to address consolidation, little has been done to create lasting change. It is clear the USDA needs additional tools to investigate anticompetitive practices and enforce the *P&S Act* in the face of growing threats and consolidation.

SOLUTION

The *Meat Packing Special Investigator Act* will create the “Office of the Special Investigator for Competition Matters” within the USDA Packers and Stockyards Division. **This USDA Special Investigator will have a team of investigators, with subpoena power, dedicated to addressing anticompetitive practices in the meat packing industry and enforcing antitrust laws.** They will work in coordination and act in consultation with DOJ and the Federal Trade Commission.

In light of the recent cyberattacks, the office will also create a new bridge between the USDA and the Department of Homeland Security to ensure the continuation of the food supply, protect critical agricultural infrastructure, and safeguard national security. With a team of dedicated staff, the USDA will have the ability to deeply investigate issues facing producers, safeguard producers by enforcing the *Packers and Stockyards Act*, and bring prices down for American families.

