

# Federal Legislation for a Just Food System

**Decades of unchecked corporate consolidation have enabled a handful of agribusinesses to stand between our nation's two million farmers and 330 million eaters. Corporate control drives down farm income and raises food prices. It dictates how and what to farm, squeezing family farms out of business and giving rise to factory operations. And it drives the overproduction of commodities to the detriment of our soil, biodiversity and climate.<sup>1</sup>**

The problem is too big to tackle with individual consumer choices — we cannot “shop our way out.” Instead, our elected leaders need to champion policies that move us towards regional, sustainable food systems. Here are some immediate actions that Congress can take to put us on this track:

**Ban factory farms and fund the transition to sustainable systems.** We need to stop these environmental catastrophes and level the playing field for more sustainable livestock producers. Legislation like Sen. Cory Booker (D-NJ) and Rep. Ro Khanna's (D-CA-17) **Farm System Reform Act (FSRA)**<sup>2</sup> would immediately ban all new large factory

farms<sup>a</sup> and the expansion of existing ones. It would phase out existing large factory farms by 2040.

The FSRA would also invest in a “just transition” by creating a buy-out program for existing factory farms. Farm operators could use the funds to pay off debt (a significant obstacle for those trying to exit contract growing) or transition to more sustainable systems, such as pasture-based livestock or specialty crops. Notably, this funding would only be available to farmers for projects on land they own, ensuring that corporate giants will not pocket the funds.

The FSRA would take additional steps to level the playing field between farmers and agribusinesses, such as:

- Holding integrating companies responsible for manure waste produced on factory farms;
- Strengthening the U.S. Department of Agriculture's (USDA) oversight and enforcement of anticompetitive practices through improvements to the Packers & Stockyards Act (P&SA); and
- Restoring mandatory Country of Origin Labeling (COOL) on beef and pork products, and extending it to dairy.



<sup>a</sup> For the purposes of the bill, large factory farms are those as defined by the Environmental Protection Agency at 40 CFR § 122.23(b)(4).

**Halt agribusiness mega-mergers.** We need to stop the mega-merger frenzy among agribusinesses and ensure they do not leverage the economic recession to further entrench their market power. Sample legislation includes the **Food and Agribusiness Merger Moratorium and Antitrust Review Act**,<sup>3</sup> introduced by Sen. Booker and Rep. Marc Pocan (D-WI-2). It would enact an immediate moratorium on all large agribusiness mergers.

The bill would also create a commission to evaluate the impacts of current consolidation levels on farmers and consumers, and make recommendations to strengthen antitrust oversight. The moratorium would remain in place until Congress passes comprehensive legislation addressing market consolidation in the agribusiness sector. When introduced in the 116<sup>th</sup> Congress, the bill was endorsed by over 200 farmer and consumer advocacy groups.<sup>4</sup>

**Reenact supply management for commodities.** We cannot achieve a just food system without addressing the problem of overproduction. Overproduction of commodities like grains and dairy drives down the prices farmers receive, while encouraging agricultural intensification. The corporate giants are the only winners, buying up cheap surpluses and processing them into food additives and livestock feed for factory farms.

Fortunately, we already have the blueprints for legislation. New Deal-era **supply management programs** buffered farmers from the boom-and-bust cycle of commodity markets. They saved countless farms from foreclosure, raised farm income and incentivized soil-building practices.<sup>5</sup> We can restore supply management programs by:

- Establishing **price floors** for commodities, providing farmers with a guaranteed living wage;
- Restoring the **federal grain reserve**, to avoid price crashes from bumper crop years and provide reserves for low-yield ones; and
- Boosting funding to existing **conservation programs** so that more farmers can adopt soil-building practices and avoid farming on vulnerable land.

Supply management legislation must address past failures to reach farmers of diverse backgrounds. Transformative bills like the Justice for Black Farmers Act — introduced by Sens. Booker, Elizabeth Warren (D-MA) and Kirsten Gillibrand (D-NY) — provide a framework for ensuring that supply management programs promote racial and economic justice.<sup>6</sup>

The cracks in our food system are deep but the way forward is clear. We must hold our elected leaders accountable for passing sweeping legislation that steers us towards a more equitable and sustainable food system.

## Endnotes

1 U.S. Department of Agriculture (USDA). “Farm producers: Revised census questions provide expanded demographic information.” ACH17-2. April 2019 at 1; U.S. Census Bureau. American FactFinder. 2017 ACS 5-Year Population Estimate; Mooney, Pat. “Too Big to Feed: Exploring the Impacts of Mega-Mergers, Consolidation and Concentration of Power in the Agri-Food Sector.” International Panel of Experts on Sustainable Food Systems (iPES). October 2017 at 49 to 51; Deguines, Nicolas et al. “Large-scale trade-off between agricultural intensification and crop pollination services.” *Frontiers in Ecology and the Environment*. Vol. 12, Iss. 4. May 2014 at abstract; Allen, Stuart et al. University of North Carolina. Kenan-Flagler Business School. “North Carolina Hog Farming: From Family Farms to Corporate Factories.” W07-008. January 2007 at 1 to 3.

2 S. 3221. 116<sup>th</sup> Cong. (2019).

3 S. 1596. 116<sup>th</sup> Cong. (2019).

4 Food & Water Watch. [Press release]. “Over 200 farm, food and rural groups endorse agribusiness merger moratorium bills.” November 1, 2018.

5 Rasmussen, Wayne D. et al. USDA. Economic Research Service (ERS). “A Short History of Agricultural Adjustment, 1933-75.” *Agriculture Information Bulletin* No. 391. March 1976 at 1 to 4.

6 S. 300. 117<sup>th</sup> Cong. (2021).

