

U.S. Rep. Pocan: Reintroduces bill to halt large ag mergers immediately, indefinitely

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Legislation will protect farmers & ranchers by stemming rising tide of corporate consolidation

Bill endorsed by more than 200 farm, food, rural, and consumer advocacy organizations

WASHINGTON, DC – U.S. Representative Mark Pocan (WI-02) today reintroduced a bill to place an immediate moratorium on large acquisitions and mergers in the food and agriculture sector. The moratorium would be in place until Congress passes comprehensive legislation addressing the problem of market concentration in the agricultural sector. The companion bill was introduced in the Senate by U.S. Senators Cory Booker (D-NJ) and Jon Tester (D-MT). It is supported by more than 200 farm, food, rural, and consumer advocacy organizations.

The Food and Agribusiness Merger Moratorium and Antitrust Review Act was originally introduced by Pocan last September and called for an 18-month moratorium on large mergers and acquisitions; this year's updated version calls for an indefinite halt. In addition to the indefinite moratorium, the bill would set up a commission to study how to strengthen antitrust oversight of the farm and food sectors and publish recommended improvements to merger enforcement and antitrust rules.

“Out-of-control consolidation has enabled big agricultural firms to control prices at

every stage of the food chain, from farming to distribution, and Congress must do more to allow local farmers and food systems to be competitive, while establishing greater market transparency for the American consumer,” said Pocan. “Today, corporate profits are soaring, but many middle-class families, farmers, and food workers continue to struggle. Establishing a moratorium on ag-mergers will not only strengthen our antitrust laws, but it will also expand economic security and opportunity to more of our communities.”

“Our agriculture and food sector have reached alarming levels of corporate concentration – today a small number of giant companies control every link of our food chain. For instance, four companies control as much as 90 percent of the global grain market, and the top four beef packers in the United States now control 85 percent of the beef market,” Booker said. “These excessive levels of concentration and market power are devastating our independent family farmers and ranchers and hollowing out the rural communities in which they live. Farmers and ranchers are being forced to sell into ever more concentrated marketplaces that unfairly reduce the prices they receive for their crops and livestock, and unfairly increase the cost of inputs. In 1950, a farmer would get 41 cents from every retail dollar for the products he sold; today that portion has plummeted to 15 cents. This must change. It’s time to restore competition to the marketplace, so that our farmers and ranchers can once again have the opportunity to share in the prosperity they help create.”

“At a time when corporate profits are booming because of agribusiness mergers, farmers are facing record-low income due to this lack of competition. Congress must act to ensure a handful of corporations do not control our entire food supply. The wellbeing of farmers and consumers alike depends on us preventing the nation’s agricultural sector from becoming a full-blown monopoly,” said Rep. Chellie Pingree (ME-01). “As a farmer myself, I see the urgent need to rein in agribusiness consolidation and it’s why I’m proud to be an original cosponsor of the Food and Agribusiness Merger Moratorium and Antitrust Review Act of 2019.”

“For too long, Washington D.C. has turned its back on its responsibility to ensure our economy works on behalf of the people and not corporate monopolies,” Joe Maxwell, a fourth-generation hog farmer and the Executive Director of the Organization for Competitive Markets, said. “It is only through fair and open competitive markets that our economy can deliver an equitable and inclusive prosperity for all individuals who through their work and investment build the prosperity that is America. Organization for Competitive Markets applauds Senators

Booker and Tester for their courage, vision, and leadership in filing this imperative piece of legislation.”

The House bill is cosponsored by U.S. Representatives Earl Blumenauer (OR-03), Rosa DeLauro (CT-03), Ro Khanna (CA-17), Chellie Pingree (ME-01), Tim Ryan (OH-13), and Jan Schakowsky (IL-09).