

United States Senate  
WASHINGTON, DC 20510

May 13, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
The Capitol, S-230  
Washington, DC 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
The Capitol, S-221  
Washington, DC 20510

Dear Majority Leader McConnell and Minority Leader Schumer:

In recent weeks, our nation's meat supply chain has been devastated by the COVID-19 pandemic. As of April 27<sup>th</sup>, 79 food-processing and meatpacking plants have reported cases of COVID-19. Many of these plants either have slowed down line production speeds because of illness and absenteeism or temporarily closed plants to conduct deep cleaning and retrofit plants to accommodate for social distancing and proper protective gear. The Commodity Futures Trading Commission recently reported in its Agricultural Advisory Committee meeting that U.S. meat plants are operating at 60 percent of normal capacity. In response to potential food supply shortages, President Donald Trump issued an Executive Order last week that invoked the Defense Production Act to classify meat processing plants an essential infrastructure to continue operations uninterrupted to the maximum extent possible.

As leadership works to develop an additional stimulus package to rebuild our economy, we write to emphasize the importance of the Processing Revival and Intrastate Meat Exemption (PRIME) Act, S.1620, as an option to increase meat-processing capacity in states and combat looming shortages because of the pandemic. While there is no silver bullet that will solve current meat supply chain disruptions, the PRIME Act is an important step that could help both consumers and farmers, during this crisis and beyond.

Despite the pandemic, American farmers and ranchers are still raising chickens, beef cattle, and pork, but fewer plants are available to slaughter and process these animals. Farmers still have to pay for feed and other overhead costs, all while facing increasingly limited access to processing facilities, leading to farmers being placed in unimaginable situations where they have to consider depopulation as an option. In April, the Food and Agricultural Policy Research Institute estimated a decline of \$20 billion in cash receipts for the livestock industry in 2020 due to COVID-19. Of this total, cattle comprised \$9.5 billion, hogs \$2.2 billion, and poultry \$4.1

billion. Along with significant price losses for farmers, consumers can expect to see price increase due to the shortages; Department of Agriculture has stated that it expects beef prices to rise 1 to 2 percent this year, poultry as much as 1.5 percent and pork between 2 and 3 percent.

The PRIME Act would help to relieve pressure on the meat supply chain by making it easier for small and mid-sized farms and ranches to serve consumers. Our legislation would give individual states the option to permit intrastate distribution of custom-slaughtered meat directly to consumers, grocery stores, and other establishments in the state that sell directly to consumers. The PRIME Act would help provide farmers and ranchers additional options to process their animals and get them to sale in local markets, many of which are already seeing shortages of meat in their local grocery stores. This legislation could help reduce the severity of the meat shortages and prices increases for consumers that are expected for the next several months, as the meat supply chain returns to normal capacity.

The PRIME Act will help small and midsized farmers better respond to the ongoing meat supply disruptions and allow consumers additional options to buy locally grown and processed meat. As the leadership continues to work towards an economic recovery plan in a fourth coronavirus aid package, we urge you to consider the PRIME Act, which would give states additional tools to respond to meat supply disruptions. Thank you for your consideration of this legislation.

Sincerely,

/s/ Angus S. King, Jr.

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ANGUS S. KING, JR.  
United States Senator

/s/ Rand Paul

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RAND PAUL  
United States Senator

/s/ Kevin Cramer

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KEVIN CRAMER  
United States Senator