House Agriculture

The State of the Livestock Industry: Producer Perspectives

4 March 2025

Overview:

Testimonies from various agricultural industry representatives highlight the severe impacts of diseases like avian influenza and regulatory challenges such as California's Proposition 12. They emphasize the need for federal support, including inclusion in indemnity programs, improved vaccine approval processes, and comprehensive national strategies to address these issues.

Witness:

- John Zimmerman, Immediate Past Chairman, National Turkey Federation
- Lori Stevermer, President, National Pork Producers Council
- Mike West, Chairman, United Egg Producers
- <u>Larry Hopkins</u>, Region III Director, Executive Board, American Sheep Industry Association
- Walter Schweitzer, President, Montana Farmers Union
- <u>Troy Sander</u>, Past Chairman of the Live Cattle Marketing Committee, National Cattlemen's Beef Association

Opening statements:

- John Zimmerman highlighted the severe impact of two respiratory viruses: highly pathogenic avian influenza (HPAI) and avian metapneumovirus (AMPV). These viruses have caused significant losses, with HPAI being 100% lethal and AMPV reducing egg production and causing prolonged mortality. Zimmerman urged the inclusion of AMPV in the USDA Livestock Indemnity Program to help mitigate economic losses. He also emphasized the need for a faster USDA vaccine approval process and a comprehensive national strategy to combat these diseases. Zimmerman thanked the Subcommittee and USDA for their efforts but stressed the importance of a more efficient response to future outbreaks.
- Lori Stevermer highlighted the challenges faced by pork producers, including financial losses and increased costs due to California's Proposition 12. She emphasized three priorities for the Farm Bill: addressing Proposition 12, protecting livestock from foreign diseases, and promoting exports. Stevermer also stressed the need for reliable market information, expanded visa programs for workers, and the importance of international trade agreements to support the industry. She urged Congress to consider these issues to ensure the future stability and success of pork producers.
- Mike West, representing United Egg Producers, highlighted the severe impact of highly pathogenic avian influenza (HPAI) on the egg industry, including significant bird losses and economic challenges. He emphasized the need for a strong focus on vaccination and mandatory funding for research to combat the virus. West also called for fully staffed USDA teams to assist producers during outbreaks and shared the industry's collaborative efforts to develop a comprehensive plan. He expressed support for the recent federal plan to eradicate HPAI and stressed the importance of addressing the virus to protect the industry and ensure food security.

- Larry Hopkins, representing the American Sheep Industry Association, praised the bipartisan Farm Bill and emphasized its importance for the survival of the lamb and wool industry. He highlighted challenges such as the impact of the trade war with China, the pandemic, and high input prices. Hopkins called for the inclusion of orphan programs in the Farm Bill, support for USDA programs to open new markets, and the development of a risk management tool for sheep producers. He also addressed the financial strain caused by labor costs and the need for better access to animal drugs. Hopkins concluded by urging the reauthorization of a similar Farm Bill to support the industry.
- Walter Schweitzer, President of Montana Farmers Union, emphasized the need for competitive
 markets and reducing uncertainty in the food system. He highlighted the fragility of the highly
 consolidated food system exposed during the pandemic and called for more local and regional
 production markets. Schweitzer advocated for stronger enforcement of competition laws, support
 for meat processing cooperatives, and accurate labeling for American beef. He also stressed the
 importance of a strong Farm Bill to improve livestock disaster and insurance offerings and urged
 Congress to push back against proposed agricultural cuts to ensure food security.
- Troy Sander, COO of Heritage Beef and President of the Kansas Livestock Association, reported that the cattle industry is currently healthy and strong, with high prices and robust beef demand. However, he highlighted challenges such as high input costs and labor shortages. Sander emphasized the importance of the Beef Checkoff program, which supports beef demand and provides a high return on investment. He also called for improvements to the H-2A visa program to support year-round labor needs and urged Congress to avoid regulatory overreach. Sander concluded by expressing NCBA's readiness to work with lawmakers to ensure a bright future for cattle producers.

Key points:

- 1. **Cattle Industry Demand**: Troy Sander attributed high cattle prices to supply and demand cycles and strong beef demand supported by the Beef Checkoff system and export markets.
- 2. **Salmonella Framework**: John Zimmerman criticized the Biden administration's proposed salmonella framework as flawed and unfeasible, emphasizing existing industry efforts to mitigate risks.
- 3. **Biosecurity and Research**: Zimmerman and Mike West appreciated federal funding for biosecurity and research but stressed the need for comprehensive plans addressing all species and regional challenges.
- 4. **Poultry and Dairy Cooperation**: Mike West described the relationship between the poultry and dairy industries in California as friendly but needing better collaboration.
- 5. **Tariffs Impact**: Lori Stevermer and Walter Schweitzer expressed concerns about the negative effects of potential tariffs on trade with Canada and Mexico.
- 6. **Animal Health Programs**: John Zimmerman and Walter Schweitzer highlighted the importance of funding for animal health programs to ensure food security and biosecurity.
- 7. **USMCA and Trade**: Lori Stevermer and Troy Sander emphasized the importance of trade with Mexico and Canada, while Walter Schweitzer suggested improvements to the USMCA.
- 8. **Federal Cuts**: Stevermer and Sander stressed the importance of agricultural research and the negative impact of federal cuts on innovation and disease prevention.
- 9. **Employee Firings**: Mike West and Walter Schweitzer discussed the effects of recent federal employee firings on combating bird flu and supporting agriculture.
- 10. **Orphan Programs**: Larry Hopkins emphasized the critical role of orphan programs for the sheep industry and the need for continued funding.
- 11. **Foreign Animal Diseases**: John Zimmerman and Mike West discussed research priorities for combating avian influenza, emphasizing biosecurity and vaccination strategies.

- 12. **Beef Imports**: Troy Sander and <u>Representative Mary Miller</u> [R-IL] expressed concerns about importing beef from countries with lower health standards, like Brazil and Paraguay.
- 13. **Support for Farmers**: Sander and Stevermer suggested ways Congress can support cattle producers, including reducing input costs and making the H-2A visa program year-round.
- 14. **Avian Influenza Strategy**: John Zimmerman stressed the need for a holistic approach to address avian influenza across all species.
 - 1. Representative Mark Messmer [R-IN] discussed the impact of avian flu on turkey farmers and the need to include avian metapneumovirus (AMPV) in the Livestock Indemnity Program. Addressed the negative effects of California's Proposition 12 on pork producers and consumers. Highlighted concerns about tariffs on Mexican and Canadian goods.
- 15. **Proposition 12**: Lori Stevermer criticized California's Proposition 12 for creating chaos and higher food prices, while Sander emphasized the importance of decisions being made by those directly involved in livestock production.