



PRICE Act – Summary

Sponsored by: Reps. Dusty Johnson

Background: Two consecutive black-swan events—the fire at the Holcomb, KS beef plant and the COVID-19 pandemic—have significantly disrupted cattle markets and processing systems. In response, USDA has issued the [Boxed Beef and Fed Cattle Price Spread Investigation Report](#), providing market analysis and other considerations for improving price discovery and competition in the cattle and beef markets. Cattlemen from across the country are considering and debating numerous potential solutions to address these issues but have not yet found consensus. The PRICE Act combines several new ideas in addition to existing bipartisan proposals to create consensus legislation that will eliminate regulatory barriers, improve market signals, and support small meat processors.

As highlighted in USDA's [Boxed Beef and Fed Cattle Price Spread Investigation Report](#), the bill makes efforts to improve:

- ***Greater price reporting and transparency***
- ***More comprehensive risk management solutions***
- ***Create small processor and cooperative opportunities***
- ***Update to the Packer and Stockyards Act***

What the bill does:

- The PRICE Act maintains a robust food safety inspection system, keeping Americans' confidence in food safety for both state and federally inspected facilities while putting small processors on a level playing field through overtime inspections and opening up new direct-to-consumer options for state inspected meat.
- Creates opportunity for producer-owned processing through a direct and guaranteed loan program to provide credit to new and expanded processing facilities, such as producer-owned cooperatives and tailors the program to allow producers to buy cooperative stock.
- Addresses barriers to entry in the small processor space authorizing a grant program to remove to ease the cost of Federal, State, or local food safety regulation, feasibility studies, and training.
- Authorizes USDA-NIFA to publish feasibility studies into opportunities for new and expanded livestock and meat processing facilities.
- Creates transparency in the fed-cattle market through a Beef Cattle Contract Library overseen by Packers and Stockyards.
- Directs USDA to provide technical assistance to small processes for best practices during a pandemic.
- Directs USDA to provide Congress cost-benefit and feasibility of various proposals to enhance price discovery through mandatory price reporting.
- Requires comprehensive looks at foreign investment in U.S. agriculture through CFIUS review
- Allows access to CRP and prevent plant cover crop forage in times of supply chain disruption.

The PRICE Act is supported by: AFBF and NCBA