



**Testimony of
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**Submitted to the
U.S. Senate Committee on Agriculture, Nutrition, and Forestry**

**“Perspectives from the Field: Farmer and Rancher Views on the
Agricultural Economy, Part 1”**

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Thank you for the invitation and for the opportunity to provide testimony from National Farmers Union (NFU). Founded in 1902, NFU is a grassroots organization with more than 230,000 members nationwide advocating on behalf of family farmers, ranchers, and our communities. Delegates to the annual NFU convention consider, debate, and amend a detailed policy document that describes our shared priorities and values,¹ and this testimony describes those collectively adopted positions.

Overview of Economic Conditions in the Agriculture Economy

Driven by lower commodity prices and high production expenses, net cash farm income continues to decline. USDA's Economic Research Service (ERS) estimates that in inflation-adjusted 2024 dollars, net farm income is forecast to decrease by \$9.5 billion (6.3 percent) from 2023 to 2024. This decline comes on the heels of a precipitous decline of nearly 20 percent in net farm income from 2022 to 2023.² While net cash farm income remains above recent averages, these declines make it difficult for many farmers to stay in business and especially for those with limited equity, like beginning farmers. Returns on many row crops were negative in 2023 and 2024 and are projected to be negative in 2025.³ Meanwhile, payments from the core farm safety net programs – crop insurance, Agriculture Risk Coverage (ARC), and Price Loss Coverage (PLC) – provide limited protection against low commodity prices, especially considering higher costs of production.

According to the Census of Agriculture, between 2017 and 2022 the number of farms in the U.S. declined by more than 140,000, a seven percent decrease over that period.⁴ Meanwhile, the average age of a farmer in the United States is rising and now nearly 60 years old,⁵ an ongoing trend partially caused by the difficulties of getting started in agriculture. Without adequate support, more family farms will go out of business, and it will be too burdensome for the next generation to take over or come back to the farm.

Farmers and ranchers on average receive only 15.9 cents of every dollar that consumers spend on food.⁶ Corporate concentration in agriculture and food supply chains have created uncompetitive agricultural markets that drive down the farmer's share of the retail food dollar while also raising costs for inputs. While headlines about the high price of eggs⁷ and other food items are frequently

¹ National Farmers Union (NFU) Policy Book, March 2024. <https://nfu.org/policy/>.

² U.S. Department of Agriculture (USDA), Economic Research Service (ERS). "Farm Sector Income & Finances - Farm Sector Income Forecast," Updated Jan. 5, 2025. <https://www.ers.usda.gov/topics/farm-economy/farm-sector-income-finances/farm-sector-income-forecast>.

³ Paulson, Schnitkey, Swilling, and Zulauf, "2025 Illinois Crop Budgets," *farmdoc daily* (14):173, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, September 24, 2024. <https://farmdocdaily.illinois.edu/2024/09/2025-illinois-crop-budgets.html>; John Newton, "Crop Margins Likely to Remain Tight in 2025," <https://www.terrainag.com/insights/crop-margins-likely-to-remain-tight-in-2025/>.

⁴ USDA, National Agriculture Statistics Service (NASS). "Census of Agriculture." <https://www.nass.usda.gov/AgCensus/>.

⁵ USDA NASS. "2022 Census of Agriculture Highlights," *Publications*, 2024.

https://www.nass.usda.gov/Publications/Highlights/2024/Census22_HL_FarmProducers_FINAL.pdf.

⁶ USDA ERS. November 2024, *Food Dollar Series*. <http://www.ers.usda.gov/data-products/food-dollar-series/documentation>.

⁷ Anne Marie Lee, "Eggs prices are likely to shoot up even more in 2025. Here's what to know," *CBS News*. Jan. 30, 2025. <https://www.cbsnews.com/news/eggs-prices-shortages-bird-flu-2025/>.

in the news,⁸ these stories typically overlook the price conditions facing those at the other end of the food supply chain: family farmers and ranchers.

Passing a 2025 Farm Bill

Federal farm policy is long overdue for an update. We appreciated the efforts of Chairman Boozman and other Committee leaders at the end of 2024 to ensure the passage of disaster and economic aid. However, as the farm economy continues to weaken, we cannot afford yet a third extension of the 2018 Farm Bill later this year. Congress must act quickly to pass a fully funded, comprehensive farm bill in 2025 that strengthens the farm safety net, improves permanent disaster assistance, makes markets fairer and more competitive, enhances farmer-friendly conservation programs, and provides food and nutrition security for all Americans.

Strengthen the Farm Safety Net

The farm safety net should ensure family farmers and ranchers can achieve sustainable net farm income. Unfortunately, farmers continue to face high input costs, high interest rates, and low commodity prices that are often below the cost of production. Many farmers are struggling to break even, and the current safety net is inadequate to protect farmers in today's economic environment.⁹

NFU supports improvements to the existing safety net that increase reference prices to reflect increases in production costs, a priority for many members of this committee, including Chairman John Boozman (R-AR). We also support establishing a “dual enrollment option” that allows farmers to receive the higher of the ARC or PLC calculated payment. These programs do not provide a true safety net if family farmers need to gamble on which program is going to work for them in any given year. We also must close farm program eligibility loopholes to ensure support is directed to family farmers and ranchers.

Expand and Enhance Permanent Disaster Programs

While we welcomed – and championed – the desperately needed agricultural disaster and economic assistance,¹⁰ lawmakers must work to establish permanent disaster programs as part of the farm bill. The series of ad hoc programs enacted over the last several years accounted for much of recent farm safety net spending, and the performance of these programs will be instructive for lawmakers when considering changes or additions to the existing emergency programs. We recommend that agricultural disaster programs be written with appropriate eligibility and payment caps, provisions that incentivize the use of conservation-focused farming practices, and safeguards to avoid practices that could undermine crop insurance.

Advance Fair and Competitive Markets

Fair, open, and competitive markets are foundational for the wellbeing of the American economy and our democracy, but farmers must buy from and sell to increasingly consolidated and uncompetitive markets. In 2021, NFU launched the Fairness for Farmers campaign, an effort to

⁸ Patrick Thomas and Jesse Newman, “Food Prices Are Rising Again,” *Wall Street Journal*. Jan. 19, 2025. <https://www.wsj.com/economy/consumers/food-prices-inflation-bird-flu-weather-230a97a3>.

⁹ United States Senate Committee on Agriculture, Nutrition, and Forestry, “USDA Says High Farm Production Costs Not Easing in 2024,” July 13, 2023. <https://www.agriculture.senate.gov/newsroom/minority-blog/usda-says-high-farm-production-costs-not-easing-in-2024>.

¹⁰ NFU, “Continuing Resolution Offers Relief, But Farmers Deserve Better from Congress,” December 20, 2024. <https://nfu.org/2024/12/20/continuing-resolution-offers-relief-but-farmers-deserve-better-from-congress/>.

shed light on the devastating impact that monopolies and near monopolies have on family farmers, ranchers, and our communities. Very few firms control the market for agricultural inputs (such as seeds, crop protection products, fertilizer, and farm equipment), processing (including livestock slaughter and processing), food manufacturing, wholesale distribution, food service, and grocery retail. The small number of large, consolidated firms in the middle of the agricultural supply chain wield immense market power over both farmers and consumers.^{11 12 13}

The next farm bill should take steps to make markets fairer and more competitive by strengthening livestock competition law enforcement, protecting the Packers & Stockyards Act (P&S Act), spurring the development and expansion of alternative, local, and regional markets in all parts of farm and food supply chains, and establishing the right to repair farm equipment.

NFU was pleased to see the inclusion of the bipartisan Meat and Poultry Special Investigator Act (S. 346) in the Senate's farm bill draft introduced last Congress. This bill was sponsored by several members of this committee, including Ranking Member Amy Klobuchar (D-MN) and Sens. Chuck Grassley (R-IA), John Hoeven (R-ND), and Cory Booker (D-NJ). The bill would establish an independent office at USDA to enforce the P&S Act and prevent abusive business practices by meatpackers. The P&S Act, which first became law in 1921, is a foundational pro-competition law meant to protect livestock and poultry producers from unfair, deceptive, and monopolistic practices in the marketplace. The law also needs to be strengthened, and this committee should ensure recent improvements to the P&S Act are not rolled back.

We also welcomed the inclusion of parts of the Strengthening Local Processing Act of 2023 (S. 354), introduced by Sens. John Thune (R-SD), Tina Smith (D-MN), and others. This bill will provide resources and grants to support small and medium meat processors, improving market opportunities for family farmers and ranchers. We look forward to working with Senators to reintroduce this bill and hope to work with you to develop additional support for other agricultural markets to ensure there are local, regional, and alternative marketing opportunities for all farmers.

We strongly support the following provisions to increase and support fair and competitive markets: making permanent the USDA Cattle Contract Library pilot program; establishing the Farmer Seed Liaison at USDA to strengthen competition and choice in the seed marketplace; and requiring additional research into consolidation in the livestock industry based on a bill introduced by Sens. Smith (D-MN) and Grassley (R-IA). Addressing these issues will ensure the agricultural economy works better for family farmers and ranchers.

Another issue that deserves attention from this committee is to ensure farmers have the freedom to repair their farm equipment or bring equipment to the mechanic of their choosing. Manufacturer-imposed repair restrictions hurt the bottom lines of both producers and independent repair professionals. Major farm equipment manufacturers restrict repairs by requiring software tools to make certain repairs to their tractors and by refusing to make the same tools with the same level of

¹¹ Jonathan B. Baker, "Market power in the U.S. economy today," *Washington Center for Equitable Growth*. March 2017. <https://equitablegrowth.org/market-power-in-the-u-s-economy-today/>.

¹² USDA, Agricultural Marketing Service (AMS), Packers and Stockyards Division. "Packers and Stockyards Division: Annual Report 2021 & 2022," (March 2024). <https://www.ams.usda.gov/reports/psd-annual-reports>.

¹³ Claire Kelloway and Sarah Miller, "Food and Power: Addressing Monopolization in America's Food System," *Open Markets Institute*, May 13, 2019. <https://www.openmarketsinstitute.org/publications/food-power-addressingmonopolization-americas-food-system>.

functionality dealerships may access available to farmers or independent mechanics.¹⁴ There is no justification for these restrictions and manufacturers are making demonstrably false justifications for restricting repair.¹⁵ Farmers face lengthy service delays during tight planting and harvest windows, and exorbitant repair costs for minor fixes pose a major challenge for farmers operating on thin margins.¹⁶ Research based on a survey conducted by NFU estimates that tractor downtime and increased costs from labor due to repair restrictions may be costing U.S. farmers \$4.2 billion per year.¹⁷ A trend of dealership consolidation is also exacerbating the problems farmers face accessing repair.¹⁸ It is time to give farmers back the right to repair their farm equipment.

Stem the Loss of Family Dairy Farms

Dairy farmers have experienced boom and bust price cycles for decades, which makes running a family dairy farm very difficult. The decline in American dairy farms reflects this risky environment. From 1970 to 2022, the number of U.S. dairy farms dropped from 648,000 to a staggering 24,470.¹⁹ These volatile cycles are triggered by an imbalance between supply and demand. When milk prices are high, dairy farmers respond by increasing production to meet the demand. But when prices are low, dairy farmers also respond by increasing production, which floods the market and drives prices down further.

In January 2025, USDA published a final rule that amends uniform pricing formulas for all 11 federal milk marketing order (FMMO) regions. These changes do not solve the underlying challenges of the dairy market for family farmers. Policy changes should be enacted by Congress to compensate for the shortcomings of the recent final FMMO rule. More robust and mandatory surveys of processors should be conducted to provide greater market information about prices and cold storage capacity. Congress should also enact legislation to return to the “higher of” Class III or IV in the Class I pricing formula, and update Class I and Class II differentials.

A more effective solution to the problems in the dairy market would be a farm bill that establishes a farmer-led incentive-based milk production growth plan to match milk supply with profitable market demand. Such a policy should include a price discovery formula at the producer level that incentivizes matching production with market demand. This program would increase farmer profitability by elevating milk prices, preventing overproduction, and reducing milk price volatility. It would also facilitate beginning farmer entry, reduce government expenditures, respond to global

¹⁴ Some manufacturers have made limited tools, such as John Deere’s Customer Service ADVISOR, available for public purchase. These tools, however, have limited use – they do not provide information required to diagnose all problems with a tractor, nor do they enable a farmer to digitally approve all repairs once they have been made. Farmers still need to turn to the dealership for many repairs.

¹⁵ NFU, “EPA Affirms Farmers’ Right to Repair,” Aug. 8, 2023. <https://nfu.org/2023/08/08/epa-affirms-farmers-right-to-repair/>.

¹⁶ An independent technician told *Reuters* he often gets calls from former customers that complain of being overcharged as much as \$10,000 for repairs. Repair restrictions can prevent independent technicians from providing competitive services. More here: <https://www.reuters.com/markets/us/fewer-us-tractor-dealerships-raise-costs-farmers-sector-consolidates-2022-09-01/>.

¹⁷ U.S. PIRG Education Fund, “Out to Pasture: Repair restrictions lead to tractor downtime and high costs. Right to Repair would help,” April 2023. <https://publicinterestnetwork.org/wp-content/uploads/2023/04/Out-to-Pasture.pdf>.

¹⁸ Bianca Flowers, “Fewer U.S. tractor dealerships raise costs for farmers as sector consolidates”; *Reuters*; Sept. 1, 2022. <https://www.reuters.com/markets/us/fewer-us-tractor-dealerships-raise-costs-farmers-sector-consolidates-2022-09-01/>.

¹⁹ Elizabeth Eckelkamp, “America’s Dairy Farms Have Vanished,” *Wired*. Sept. 21, 2024. <https://www.wired.com/story/americas-dairy-farms-have-vanished/>.

market conditions, and require national and mandatory participation. NFU looks forward to working with this committee to address these dairy industry concerns.

Enact Farmer-Friendly Conservation Programs

Family farmers and ranchers are the best stewards of our natural resources. The next farm bill should invest in voluntary, incentive-based conservation programs for farmers and ranchers with approaches that are rooted in science. These programs are very popular and are historically oversubscribed and underfunded. We support finding ways to boost funding for these programs, including by rolling Inflation Reduction Act investments into the farm bill baseline.

Farmers are on the frontlines of climate change, and we want access to all available tools so we can be part of the solution and build more resilient operations. Farm bill conservation programs help us make this happen. USDA's renewable energy programs also help address climate while helping with long-term farm viability. We are especially supportive of the Rural Energy for America Program (REAP), which supports renewable energy and energy efficiency investments for family farmers and rural small businesses.

We also ask Congress to take a closer look at the Inventory Management Soil Enhancement Tool (IMSET), a policy proposal developed by South Dakota Farmers Union.²⁰ IMSET is a voluntary, incentive-based conservation and farm safety net program concept that has two core purposes: to help us conserve our soil and to protect net farm income when agricultural markets falter. By voluntarily enrolling in IMSET, farmers would have an additional opportunity and incentive to participate in working lands conservation programs in exchange for stronger risk management options. This policy concept can address important conservation needs while maintaining fiscal responsibility and merits inclusion in the farm bill.

Food and Nutrition Security

The farm bill is also a food bill. Congress should enact a farm bill that supports the food and nutrition security of our communities by maintaining robust funding for nutrition programs. These programs also support the profitability of our farms and ranches. Food insecurity has worsened in our country in recent years, and the Supplemental Nutrition Assistance Program (SNAP) is a critical tool for reducing poverty and hunger, while supporting the entire farm and food supply chain, from farmers to grocers. This committee should stand firm in opposing cuts to SNAP.

We should also ensure that farm bill nutrition programs are more directly supportive of our farms and communities. The committee should create additional opportunities for local and regional markets and procurement from farmers and distribution of that food to our communities by supporting programs like the Local Agriculture Market Program (LAMP), the Gus Schumacher Nutrition Incentive Program, and the Senior Farmers Market Nutrition Program. Last Congress, we supported the introduction of the Local Farms and Food Act by several members of this committee, including Sens. Smith (D-MN), Peter Welch (D-VT), and John Fetterman (D-PA).

The farm bill coalition is stronger when it brings in additional allies and becomes weaker when divided. Including a strong nutrition title is an essential part of passing the next farm bill.

²⁰ South Dakota Farmers Union, "Inventory Management Soil Enhancement Tool," June 2023. <https://sdfu.org/wp-content/uploads/2023/06/Inventory-Management-Soil-Enhancement-Tool.pdf>.

Trade

In recent weeks, President Trump has publicly discussed the possibility of imposing tariffs on several major trading partners. The trade dispute with China and other nations during the first Trump administration deeply impacted family farmers and ranchers, and that experience could be repeated in the coming months. In 2018, the U.S. imposed Section 232 tariffs on steel and aluminum imports from major trading partners and Section 301 tariffs on Chinese imports. As a result, Canada, China, the European Union, India, Mexico, and Turkey imposed their own retaliatory tariffs on many U.S. exports, including a wide range of agricultural and food products. U.S. agricultural export losses totaled more than \$27 billion from 2018 through the end of 2019. China accounted for approximately 95 percent of those losses (\$25.7 billion), followed by the European Union (\$0.6 billion) and Mexico (\$0.5 billion). Some individual commodities were especially hard hit, with soybeans suffering \$9.4 billion in export losses, sorghum losing \$854 million, and pork losing \$646 million. Specialty crops had a total loss of \$837 million.²¹ In an effort to help farmers recover from these tariff-based price declines, then-USDA Secretary Sonny Perdue used his discretion under the Commodity Credit Corporation Charter Act to provide Market Facilitation Program payments to farmers, along with trade promotion and food purchasing initiatives, totaling \$12 billion in 2018²² and \$16 billion in 2019.²³

Congress should prioritize trade policies that support the needs of American family farmers and ranchers. Continued access to global markets is vital for our nation's agricultural economy, the security of our food supply chains, and farmers' ability to remain globally competitive. If used carefully, tariffs can be important tools for trade negotiations and for shielding domestic producers from the effects of unfair foreign trade practices. As President Trump begins implementing his 2025 trade agenda, policymakers should remember the significant impacts of past trade wars on the farm economy. Although our trading partners must be held accountable to agreements, past tariffs on goods from China resulted in severe and damaging retaliation against American family farmers and ranchers. Our members suffered significant losses from the trade dispute with China and lost valuable market share, particularly for soybeans, to competitors like Brazil.

The upcoming six-year review of the U.S.-Mexico-Canada Agreement (USMCA) poses an opportunity to fix what has not worked in the past and create a more beneficial trade model for U.S. agriculture. International trade negotiations and agreements must address domestic food safety, security, and inadequate economic returns to producers resulting from market failure, lack of market competition, and an imbalance in supply and demand. Congress should also have full opportunity to review and amend provisions of a trade agreement, consistent with the authority and power endowed by the U.S. Constitution. Because agriculture is only one area considered in trade agreement negotiations, the fast-track system of ratification – in which an entire trade package must be approved or rejected – can easily sweep aside agricultural concerns.

²¹ USDA ERS, ERS Report Number 304, "The Economic Impacts of Retaliatory Tariffs on U.S. Agriculture," January 2022. <https://ers.usda.gov/sites/default/files/laserfiche/publications/102980/ERR-304.pdf?v=45155>.

²² USDA, "USDA Announces Details of Assistance for Farmers Impacted by Unjustified Retaliation," Aug. 27, 2018. <https://www.usda.gov/about-usda/news/press-releases/2018/08/27/usda-announces-details-assistance-farmers-impacted-unjustified-retaliation>.

²³ USDA, "USDA Announces Support for Farmers Impacted by Unjustified Retaliation and Trade Disruption," May 23, 2019. <https://www.usda.gov/about-usda/news/press-releases/2019/05/23/usda-announces-support-farmers-impacted-unjustified-retaliation-and-trade-disruption>.

Country-of-Origin Labeling

Trade policy should ensure that consumers have access to information about the products they buy. Consumers increasingly want to know where their food comes from, and meat is no exception. Congress should pass legislation to re-establish mandatory country-of-origin labeling (COOL) for beef. NFU strongly supports the American Beef Labeling Act, which was brought forward in the 118th Congress by Sen. Thune (R-SD) with strong bipartisan support, including THUNE, and hopes that it will advance through the Senate and House in the 119th Congress. That bill would reinstate beef as one of the food commodities currently subject to the mandatory COOL law that Congress originally passed in the 2002 Farm Bill. Congress reversed the law in 2015 after an international dispute panel at the World Trade Organization ruled against COOL and allowed Mexico and Canada to move forward with retaliatory tariffs. COOL is a valuable marketing tool for ranchers, and it allows consumers the right to choose where their meat products come from.

Agricultural Workforce

Many family farmers depend on access to a reliable and skilled workforce for agricultural production. Congress should continue to fund existing programs like the H-2A Temporary Agricultural Visa Program and new grant initiatives, like the previous administration's Farm Labor Stabilization and Protection Pilot Program at the Department of Agriculture (FLSP), to improve the supply, stability, and training of the agricultural labor force. Increasing wage costs, a lack of available workers, and farmworkers' fears of deportation because of recent executive orders leave many farmers uncertain if they will soon be without access to a workforce. Congress should pass comprehensive immigration reform modeled on the Farm Workforce Modernization Act, a bipartisan bill introduced in the 116th, 117th, and 118th Congresses. Farmers need a long-term solution to these labor challenges, including the ability to hire skilled workers. We also encourage collaborative work between the Department of Labor and USDA to update the Adverse Effect Wage Rate (AEWR) to address the rising costs of H-2A wages.

Biofuels

NFU is a strong supporter of biofuels. Farmers have a long history of innovation to meet the needs of the country, including expanding production into additional markets. The growth of the biofuels market through the use of higher ethanol blends provides significant benefits to the rural community and the American economy. In 2023, more than 72,463 U.S. jobs were directly associated with the ethanol industry, with an additional 322,002 indirect and induced jobs supported across all sectors of the economy.²⁴

NFU is supportive of the move to year-round higher-level blends of ethanol, like E-15 and beyond. We appreciate the legislation Sen. Deb Fisher (R-NE) introduced to support year-round E-15 and thank the many committee members who are supportive of the effort. NFU is further supportive of continued growth of the Renewable Fuels Standard (RFS) through increased volumes of ethanol, biodiesel, renewable diesel and cellulosic ethanol. Increasing RFS volumes provides additional market opportunities for farmers and supports rural America. NFU strongly supports programs that support and grow the use of biofuels.

²⁴ Renewable Fuels Association, "Contribution of the Ethanol Industry to the Economy of the United States in 2023," Feb. 1, 2024. <https://ethanolrfa.org/file/2659/RFA%202023%20Economic%20Impact%20Final.pdf/>.

Beginning and Socially Disadvantaged Farmers and Ranchers

Beginning, socially disadvantaged, and military veteran farmers tend to have less equity in their farm operations, which makes it more difficult to weather a difficult farm economy. Given the rising age of U.S. farmers and the need to successfully transition farms to the next generation, Congress should consider policy changes that may help.

For example, the Crop Insurance for Future Farmers Act (S. 2458) led by Ranking Member Klobuchar (D-MN) and Sen. Thune (R-SD) last Congress and cosponsored by Sens. Smith (D-MN) and Jerry Moran (R-KS), would make crop insurance more affordable for beginning farmers and help these farmers more easily manage their risk. We hope members of Congress will introduce that bill once again. Improvements to Non-Insured Crop Disaster Assistance Program (NAP) and Whole Farm Revenue Protection that the last Congress considered also hold promise as a way for emerging farmers and ranchers to better manage their risks.

Congress also needs to do more to facilitate pathways to transition land to the next generation and to support socially disadvantaged farmers with land access. We support Sen. Smith's (D-MN) efforts last Congress to extend USDA's Land, Capital, and Market Access Program, which funds cooperative agreements or grants for projects that help underserved producers, including beginning farmers, access land by connecting available land to those that want to farm it, transitioning farmland from existing landowners to the next generation, and providing much needed technical assistance related to land, capital, and market access for underserved producers.

Rural Quality of Life

Our rural communities face unique and significant challenges in accessing health care and childcare services. To ensure family farmers, ranchers, and our communities can thrive, we must continue building on the Affordable Care Act to make sure all Americans have access to quality and affordable health care. Likewise, the lack of affordable and reliable early childcare in our communities is a major challenge for farmers. We support efforts to expand childcare options in rural areas, such as the Expanding Childcare in Rural America Act of 2023, which would create a new multi-program initiative at USDA to address the availability, quality, and cost of childcare. As you work to craft the next farm bill, please invest in programs and policies that address issues centered on rural quality of life.

Animal Disease Threats

Controlling animal disease outbreaks is essential to protecting American farmers from devastating economic losses and ensuring the stability of our food supply. The ongoing avian influenza outbreak has exemplified these risks, leading to the loss of over 100 million birds, rising egg prices, and severe financial strain on poultry and dairy operations. Entire flocks have been culled to contain the virus, and its spread to dairy cattle has further jeopardized farm livelihoods, reduced milk production, and disrupted supply chains. While farmers have implemented strict biosecurity measures, the persistent threat from wild birds makes eradication of the disease nearly impossible. Recent federal funding freezes by the Trump administration jeopardize the government's ability to respond effectively, delaying critical disease monitoring, relief efforts, and the evaluation of vaccination strategies. Secretary-designate Rollins has indicated that addressing animal disease threats would be a top priority for USDA in the years ahead. We urge Congress to work with the administration to restore and expand funding to address these serious issues.

Recent Executive Orders and the Federal Funding Freeze

Several recent executive orders and the federal funding freeze imposed by the Trump administration have created uncertainty for family farmers, ranchers, and rural communities. By halting essential funding and issuing sweeping directives with little clarity, the administration is disrupting many existing programs our communities rely on. The interruption in funding calls into question whether already obligated funds will be disbursed to farmers and ranchers who have held up their end of program agreements with USDA. This abrupt and confusing policy shift jeopardizes farm livelihoods and is leaving state and local agencies struggling to interpret and implement federal programs. We encourage this committee to seek further explanations and clarity from the administration to limit negative impacts on the farm economy.

Conclusion

Family farmers and ranchers are in a precarious financial situation today, but a strong farm bill and sound agricultural policy changes can help to alleviate this pressure. While times are tough, Congress and President Trump have an opportunity to support rural America. Including provisions in the farm bill that would strengthen the farm safety net, foster competition in the market, bolster conservation initiatives, and support the next generation of farmers would be of great help. We encourage bipartisan collaboration to meet the needs of our agricultural communities today for a stronger and brighter future. NFU stands ready to continue working with this committee to deliver for family farmers, ranchers, and our communities. Thank you for holding this hearing today and for the opportunity to testify. I look forward to answering any questions you may have.