

August 30, 2021

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, D.C. 20250

Dear Secretary Vilsack,

I am writing today on behalf of the Nebraska Farm Bureau Federation (NEFB) and our nearly 60,000 members. NEFB appreciates the opportunity to submit comments on Docket ID AMS-TM-21-0058, Investment and Opportunities for Meat and Poultry Processing Infrastructure.

As you know, the state of Nebraska stands at the forefront of commercial red meat production and processing. From a robust cow/calf and cattle feeding industry, growing hog and poultry sectors, to a significant network of large and small slaughter facilities, Nebraska leads the nation in meat production. At the same time, the COVID-19 pandemic showed our nation how delicate our food supply chains could be as packing plants closed and grocery store shelves emptied. The short-term limitations on meat and meat products appropriately received significant attention from decisions makers and efforts to provide funding to help diversify the meat processing sector soon followed.

As the United States Department of Agriculture (USDA) looks to invest \$500 million into the poultry and meat sectors, NEFB believes the following general items should be top priorities:

- Grants to processors for modernizing or expanding existing facilities, including expansion and modifications to existing buildings and/or construction of new buildings at existing facilities;
- Grants to processors for modernizing processing and manufacturing equipment;
- Grant money for down payments to build new packing facilities. While many interested parties can obtain financing for a packing facility, some rural businesses could use the assistance in acquiring a down payment for new construction; and
- Grants or cost share made available for state governments to assist in developing and implementing state inspection programs.

Outside of those general priorities, USDA should also consider efforts by land-grant universities, such as the University of Nebraska-Lincoln (UNL), to expand their reach into training the next generation of meat processing professionals. Developing educational infrastructure to help build the “Small Processing Plant of the Future” could go a long way toward diversifying our nation’s meat supply chain, create more competition within the meat processing sector, and create another outlet to help farmers and ranchers connect with consumers.

Lastly, as USDA considers grants for new packing facilities, consideration must be given to very small, small and medium sized facilities. While very small and small packing plants are very

beneficial to many communities, increasing livestock marketing competition will likely better occur if more medium sized plants are built. Providing funding for plants which slaughter a larger number of animals and employ more than 500 people, possibly up to 1,000, will go a long way toward providing more competition in a very concentrated sector.

In closing Mr. Secretary, I want to thank you and your staff for all your work to help farmers, ranchers, and rural communities during this difficult time. We appreciate all your efforts and hope you will consider our requests in the days and weeks ahead. Thank you for your consideration and for everything you continue to do for Nebraska farm and ranch families.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark McHargue". The signature is written in a cursive, flowing style.

Mark McHargue
President