

SPECIAL ORDER OF BUSINESS
CLIMATE CHANGE AND FAMILY FARMING
DECEMBER 2021

Climate change poses a threat to family farmers and ranchers. Shifting seasons, changing precipitation patterns, and more frequent and severe natural disasters expose farmers and ranchers to greater risk. At the same time, family farms and ranches can play a key role in mitigating climate change by storing carbon in soils.

North Dakota Farmers Union believes policies intended to address climate change should leverage agriculture's potential to be part of the solution. These policies should provide incentives to support farmers and ranchers as they tackle climate challenges. We also believe public policy can play an important role in ensuring carbon markets provide fair and transparent opportunities to farmers and ranchers.

NDFU urges a comprehensive, farmer-focused approach to climate change guided by the following principles:

- State and federal conservation programs should have a stronger focus on climate-friendly practices. Carbon sequestration initiatives should not be biased toward a single practice.
- The United States Department of Agriculture should regulate carbon markets to ensure they use consistent protocols and adhere to strict levels of fairness and transparency.
- Early adopters should be rewarded for contributing to carbon sequestration.
- Renewable fuels, including ethanol, biodiesel and sustainable aviation fuels, must be a central feature of any efforts to reduce carbon emissions.
- Increased investment in public research on climate change is critical to reducing barriers for adoption of climate-smart agricultural practices.

SPECIAL ORDER OF BUSINESS
COMPETITION IN FOOD AND AGRICULTURE
DECEMBER 2021

Market concentration in agriculture and food supply chains represents a major threat to family farms and ranches. For decades, the markets that farmers buy from and sell to have become increasingly consolidated. Today, the four largest companies control over 83% of beef packing, 85% of corn seed, and 76% of soybean seed markets. Concentration in many other industries has also decimated small businesses, especially in rural areas.

As competition declines, multinational corporations limit farmers' and ranchers' choices, pay them less and charge them more. As the coronavirus pandemic has illustrated, consolidation has also jeopardized the resilience of our food systems. Individual meatpacking plant closures caused massive supply chain disruptions that caused cattle prices to drop, while beef prices skyrocketed. The ripple effects of supply chain disruptions continue to be felt across agriculture and food supply chains.

NDFU calls on Congress to enact legislation that would strengthen antitrust laws, reverse the trend of consolidation, and protect family farmers and ranchers from anticompetitive practices. We also urge the Department of Justice, Federal Trade Commission and the state Attorney General to strictly enforce antitrust statutes.

NDFU supports efforts to bolster local and regional food supply chains. We believe USDA and Congress should prioritize efforts to support new and expanding meat processors. We are also deeply troubled by the loss of rural grocery stores and support efforts to improve food access for rural North Dakotans.

We urge the passage of livestock mandatory price reporting with reforms that will improve price transparency and discovery. Such reforms include requiring packers to purchase 50% of cattle from the cash market and establishing a cattle contract library.

Finally, NDFU supports the reinstatement of mandatory country of origin labeling (COOL). Mandatory COOL can add value to U.S. beef and protect supply chains from foreign food safety concerns.

SPECIAL ORDER OF BUSINESS
ADDRESSING FOOD AND AGRICULTURE SUPPLY CHAIN DISRUPTIONS
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The COVID-19 pandemic, dramatic shifts in supply and demand, natural disasters and market concentration have caused major supply chain disruptions, including in food and agriculture. These disruptions have created shortages of farm inputs, causing farm input costs to spike. Disruptions in processing facilities have also created bottlenecks, causing food prices to rise.

Fertilizer and agriculture chemical prices have skyrocketed in the last year. Nitrogen, phosphate and glyphosate prices have all more than doubled in the last 12 months. These issues have been exacerbated by the Department of Commerce's recent decision to impose countervailing duties on phosphate fertilizers from Morocco and Russia. These countervailing duties, which were imposed at the request of two major fertilizer producers, are expected to increase U.S. costs of production while potentially lowering production costs in other parts of the world.

North Dakota also faces unique supply chain challenges, because of our reliance on rail transportation. Most of North Dakota's shippers are captive to a single railroad. With a lack of rail competition and few alternative shipping options, North Dakota producers face high basis costs.

NDFU urges swift action to address supply chain challenges, including:

- Investigations into supply chain disruptions and strong enforcement against companies found to engage in price gouging;
- Initiatives to address the nation's trucker shortage and provide hours of service waivers where appropriate;
- Efforts to increase rail competition, limits on rail rates and streamlined rate review processes;
- Elimination of import barriers that are intended to increase the market share of dominant firms;
- Investigate a potential remedy; and
- Investments in fertilizer and propane infrastructure in North Dakota.