

**S. 3239—EGG PRODUCTS INSPECTION ACT
AMENDMENTS OF 2012: IMPACT ON EGG
PRODUCERS**

**HEARING
BEFORE THE
COMMITTEE ON AGRICULTURE,
NUTRITION AND FORESTRY
UNITED STATES SENATE**

**ONE HUNDRED TWELFTH CONGRESS
SECOND SESSION**

JULY 26, 2012

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**S. 3239—EGG PRODUCTS INSPECTION ACT
AMENDMENTS OF 2012: IMPACT ON EGG
PRODUCERS**

Thursday, July 26, 2012

UNITED STATES SENATE,
COMMITTEE ON AGRICULTURE, NUTRITION AND FORESTRY,
Washington, DC

The Committee met, pursuant to notice, at 9:35 a.m., in room 328A, Russell Senate Office Building, Hon. Debbie Stabenow, Chairwoman of the Committee, presiding.

Present: Senators Stabenow, Klobuchar, Roberts, Boozman, Grassley, and Thune.

**STATEMENT OF HON. DEBBIE STABENOW, U.S. SENATOR
FROM THE STATE OF MICHIGAN, CHAIRWOMAN, COM-
MITTEE ON AGRICULTURE, NUTRITION AND FORESTRY**

Chairwoman STABENOW. Good morning. We will call the Committee to order, Conservation, Nutrition and Forestry—excuse me—Agriculture, Nutrition and Forestry Committee, and I know we do have other members that are planning to join us, but, Senator Feinstein, in the interest of time, and I know you have many commitments as well, we want to move ahead this morning.

This is a very important hearing. We appreciate your being here. We appreciate everyone being here today. There is tremendous amount of interest, as we can see from an overflow crowd today. We are here to consider S.3239, Egg Products Inspection Act Amendments of 2012, which is a bipartisan bill that is led by Senator Dianne Feinstein.

We all know that breakfast is the most important meal of the day, whether you are running a farm, taking your produce to market, leading a Committee hearing, eggs are as much a part of our mornings as juice or coffee or the bacon on our plates, or the milk or grains in our cereal. So when we talk about this important nutritious product, it is very much a part of America and our nutrition and food system.

Eggs are an important staple of the American diet. The average person consumes 250 eggs per year. I think I am probably above that actually. They are also an important part of the agricultural economy. Every year, eggs generate nearly \$15 billion for our economy. So it is incredibly important that our producers have certainty as they produce the eggs that we need for so many of our food products.

This bill we have before us is driven by a coalition of industry producers who have come together to request these changes, and it is designed to give producers certainty from regulations. Senator

Feinstein, the bill's author, is here to testify today, as I indicated, as well as egg producers from across the country.

This bill represents a compromise for egg production standards. It was proposed by the industry and has the support of the Humane Society of the United States. We will hear today from those who are in favor of the bill and the agreement, and we will hear from those who have concerns. I look forward to the testimony from Senator Feinstein and from the producers who have taken the time. Thank you to each of you for taking the time to join us, to be able to be here for this very important discussion on a very important issue.

I will now turn to my friend and Ranking Member, Senator Pat Roberts, for his opening remarks.

STATEMENT OF HON. PAT ROBERTS, U.S. SENATOR FROM THE STATE OF KANSAS

Senator ROBERTS. Madam Chairwoman, thank you for calling this hearing this morning, giving us an opportunity to hear directly from egg producers regarding a bill that would, for the first time ever, put the Federal Government in charge of the standards under which eggs are produced in this country.

And I truly appreciate the chance to hear from my friend and colleague, Senator Feinstein. Senator Feinstein and I have put a lot of years in on the Intelligence Committee and I thank her for standing up in behalf of our country, our national security, and the long years of effort that you have put on the Intelligence Committee. We have no greater obligation than the national security of our country and I thank you for your service.

Senator FEINSTEIN. Thank you, sir.

Senator ROBERTS. First let me say that I firmly believe that farmers and ranchers are good stewards of the animals under their care. One of the fundamental principles of the animal husbandry profession is that your animals get fed, watered, and taken care of the night before you actually head for the house.

There is absolutely no excuse for animal cruelty, in particular, given the multitude of training programs and educational efforts about animal care and handling for those who work with and around animals. Producers understand that the better they take care of their animals, the more productive those animals will be.

Second, let me say that Senator Feinstein and the egg producers of California have a real challenge. There is no doubt that California's Proposition 2 has created some uncertainty in the industry. That comes with leadership.

I am not sure this agreement between the United Egg Producers marketing cooperative and the Humane Society of the United States, HSUS—I guess everything has to be an acronym, I apologize for that—is a solution that addresses the unintended consequences we as policy makers need to consider.

When this Committee considers any change in policy that will impact animal agriculture, there are a wide range of factors that should be taken into account. Considerations like food safety, animal health and welfare, the economics of food production, environmental issues, our international trade obligations, and most importantly, science. What is the best possible science available to gov-

ern the manner in which our food supply is produced in this country? Is this legislation based on that kind of science?

Put simply, when we deviate from science-based decisions, we end up making the very problems we are trying to resolve worse. If the science eventually says that a smaller cage is better, will this alliance of producers and HSUS be back before this Committee in a year or two petitioning for a change in the law when the science changes?

I also hope to learn why egg producers were solidly against any agreement with HSUS before they were for it. What changed in the issue to bring about such a reversal in their position? I understand there are also class action suits involving antitrust issues that are at the forefront of many challenges that egg producers are dealing with right now. Is this agreement somehow viewed as an escape hatch from those discussions?

I wish, Madam Chairwoman, that we had the Department of Agriculture with us here this morning to explain how they would actually enforce this agreement were it ever to become law. In addition to questions regarding the implications of this agreement on interstate commerce and our international trade obligations, I am also concerned about how this agreement will affect the price that consumers will pay for eggs.

European consumers are dealing with these challenges right now. European consumers saw their supply of eggs drop 10 to 15 percent soon after the government implemented its version of this law, a decrease which led to a 55 percent increase in the price of eggs.

At the Federal level, this Committee must examine what effects a dramatic price increase like this would cause to our programs like the WIC program and SNAP or food stamps. A 55 percent increase in egg prices would significantly reduce the purchasing power of the recipient of these programs. I do not think we want that.

Madam Chairwoman, I have letters in opposition to this legislation from the American Farm Bureau Federation, a group of four national veterinary organizations, and a letter signed by 94 state and national organizations representing egg, milk, sheep, wool, turkey, pork, and beef producers that I would like to enter for the record.

Madam Chairman, thank you and I look forward to this morning's discussion.

Chairwoman STABENOW. Thank you very much. We will enter those documents into the record without objection.

[The information from Hon. Pat Roberts can be found on pages 44, 45 and 46 in the appendix.]

Chairwoman STABENOW. Again, welcome to our very distinguished colleague, as Senator Roberts mentioned, the Chair of the Intelligence Committee. We owe you all a debt of gratitude for the hours that you spend, literally, every day in efforts to protect our country and all of us as Americans. So thank you for that. We also thank you for being here as the lead author of S.3239, the Egg Products Inspection Act, and we would welcome your comments in relationship to the bill.

**STATEMENT OF HON. DIANNE FEINSTEIN, U.S. SENATOR FROM
THE STATE OF CALIFORNIA**

Senator FEINSTEIN. Well, thank you very much, Madam Chairman and Ranking Member Roberts, and I want to thank you really for the time to discuss this amendment which would be to the Egg Products Inspection Act.

I want to just begin by pointing out that this is a bipartisan bill. It is co-sponsored by yourself, Senators Leahy, Blumenthal, Scott Brown, Cantwell, Collins, Kerry, Lautenberg, Lieberman, Menendez, Merkley, Murray, Saunders, Schumer, Vitter, and Wyden. Unfortunately, Senator Leahy could not be here this morning. He has a mark-up, as does Senator Klobuchar and myself at ten o'clock. I am also delighted to see the Ranking Member of the Judiciary Committee, Senator Grassley, here this morning as well.

The United Egg Producers represent approximately 90 percent of the eggs sold in the United States, and the Humane Society of the United States is the largest animal welfare organization in the country, I believe with 11 million members. These two groups came together to forge a compromise agreement that can ensure the future of the egg industry and result in a better product.

You are right, Senator Roberts. In 2008, California passed Proposition 2, which among other things created a requirement that hens be able to stretch their wings and turn around. This initiative passed with an overwhelming majority. Similar measures were also put in place in Michigan, Arizona, Washington, Ohio, and Oregon. The result of these individual state-level initiatives is now a patchwork of standards that make it hard for egg producers to know the rules of the road and to conduct interstate commerce.

Egg farmers nationwide are stymied as they attempt to upgrade their infrastructure and develop new enterprises. Why grow when the rules of the road might change and invalidate your investments? Why develop a new market if that market might not be open to you in a few short years? This legislation addresses these problems. The agreement establishes a single national standard for the treatment of egg-laying hens and the labeling of eggs.

Now, you are going to hear a lot in detail about it from the next panel, but let me just quickly, briefly explain what the bill does. The size of hen cages is increased over the next 18 years and enrichments like perches and nests are added so that chickens can engage in natural behaviors. The practice of depriving hens of food and water to increase egg production is outlawed.

Minimum air quality standards are put in place for henhouse protecting workers and birds. And clear requirements for egg labeling are created so consumers know whether the eggs they buy come from hens that are caged, cage-free, free range, or housed in enriched cages.

Now, there are some who have concerns about the bill, and I just want to be clear on a few points. This legislation only applies to egg producers and is the result of careful negotiation between animal welfare groups and the only industry that is affected. No other is affected.

Secondly, I have heard concerns that the bill would hurt small producers. That is simply incorrect. Farmers with 3,000 birds or

fewer are specifically exempted from the provisions of this legislation.

Organic, cage-free, and free range egg producers will also be unaffected by the housing provisions, except that they may see increased sales as consumers are able to more clearly tell what is available on store shelves as a result of the labeling provisions. And for those who are affected by our bill, there is a long phase-in period, up to 18 years. In this period of time, most producers, I am told, will replace their cages in any event.

Next, the science behind the legislation. This legislation is endorsed by the leading scientists in the egg industry, the American Veterinary Medical Association, and the two leading avian veterinary groups. Studies show that these new cages can result in lower mortality and higher productivity for hens, making them more efficient for egg producers.

Finally, I want to set the record straight with regard to the cost of the bill. The CBO scores the legislation as having no cost, and a study by Agrilytica, a consulting firm, found that this legislation would not have a substantial price effect on consumers. It is also important to note that this bill reflects what is already happening because of consumer demand. McDonald's, Burger King, Costo, Safeway, and other companies are already phasing in new humane handling requirements for the production of the food they sell.

Further, a study by an independent research company, the Bantam Group, indicates broad support from consumers. Specifically, they found consumers support the industry transitioning to larger cages with enrichments like perches, by a ratio of 12 to 1, and I would like to submit for the record 13 pages of endorsements from organizations in virtually most major states in the country, if I can.

Chairwoman STABENOW. Without objection.

Senator FEINSTEIN. Thank you.

[The information from Hon. Dianne Feinstein can be found on page 48 in the appendix.]

Senator FEINSTEIN. You can tell how important this bill is to the egg industry because farmers have come from all across the United States to attend this hearing and show their support. You will meet several on the next panel, including Eric Benson from my State of California whom I would like to welcome. Other farmers are here as well in the audience. Let me just mention a few.

Jim Dean from Iowa. Since 30 percent of the eggs in California grocery stores come from Iowa, farmers in Iowa have a strong interest in seeing this bill pass so that rules of the road are clear and they can be productive and grow and access this huge consumer market.

Dolph Baker from Mississippi. He is CEO of Cal-Maine Foods which operates egg farms in multiple states. Cal-Maine will find it more and more difficult to comply with conflicting state standards unless we can pass this bill.

Arnie Riebli, also from California. Peter, David, and Gary Forsman from Minnesota. They are here representing smaller scale operations. Marcus Rust, Bob Krouse, Ron Truex, and Roger Seger from Indiana. They have enacted state level production standards. They are having to make decisions about what infrastructure to in-

vest in and wondering if they are going to be locked out of their neighboring markets.

Molly Weaver from Ohio. She is trying to cope with new regulations imposed by her home state and figure out how she will compete with eggs produced more cheaply by her neighbors just across state lines. Now, there are many producers who could not even get into the room today and they are sitting in overflow rooms around the corner, but they have all come to Washington to be heard.

I would also like to add that the most recent list of supporters—well, I said that—is 13 pages long. It includes 14 agriculture and egg-producing groups, the four major veterinary groups who look at eggs and egg-laying hens, five consumer groups, and many more.

Now, this compromise represents something very unique in animal agriculture. This is an animal welfare group and a major industry working together to forge an agreement that is practical and contains reasonable time frames for producers to implement new cage sizes, 18 years; new protections for the animals and workers; and clearer labeling.

This is a practical, fair-minded resolution that I think solves a real problem for the egg industry. I encourage the Committee to support this bill. I thank you very much for this opportunity.

[The prepared statement of Hon. Dianne Feinstein can be found on page 26 in the appendix.]

Chairwoman STABENOW. Thank you very much for your comprehensive testimony. We look forward to working with you, and as we move forward in discussing this issue, I believe at this point we will, unless someone has a question for Senator Feinstein, that we will move forward to our other panel. But, Senator Grassley, you look like you might have a question.

Senator GRASSLEY. I wonder, because we have all got to go to Judiciary, I would like to put a statement in the record, some questions to submit, and I would also like to submit a letter in opposition from the Southwest Iowa Egg Cooperative on the legislation.

Chairwoman STABENOW. Without objection.

[The information from Hon. Charles Grassley can be found on page 61 in the appendix.]

Chairwoman STABENOW. Thank you again. We look forward to working with you—

Senator FEINSTEIN. Appreciate it.

Chairwoman STABENOW. —and appreciate your comprehensive remarks.

Senator FEINSTEIN. Thank you.

Chairwoman STABENOW. We will ask our second panel to come forward at this point.

Well, good morning. We appreciate so much all of you taking the time to join us today. Let me introduce each of our witnesses and then we will ask each of you for five minutes of verbal testimony. We certainly welcome any other written testimony you would like to leave with the Committee as well. And then we will do a round of questions.

First let me introduce our first panelist. David Lathem is the Chairman of United Egg Producers and is an egg farmer from Pendergrass, Georgia. We are very pleased to have you with us today.

Our second panelist is Eric Benson from Modesto, California. Mr. Benson is President of J.W. West, a diversified agricultural company started by his family in 1909. So that is terrific. Welcome.

I am particularly pleased to have the next witness from Michigan, Greg Herbruck, who manages Herbruck Poultry Ranch along with his son and two brothers. They are the third and fourth generation involved in this family farm, very well-respected leaders in agriculture in Michigan, and it is great to have you here.

And then finally I am going to turn to Senator Roberts to welcome our final witness.

Senator ROBERTS. Thank you, Madam Chair. I would like to introduce Amon Baer, second generation ag farmer from Lake Park, Minnesota. In this Committee, the term family farmer is volleyed back and forth with some poetic license, but when you look at the number of Baer family members that are actually in the business of farming, you quickly appreciate that Amon may have farmed out of necessity so that he had enough food for his family and all the mouths congregating around the dinner table.

Amon Baer and his wife of 38 years, Camille, are owners and family farm operators. They have nine children, all of whom are involved in the farming operation. Together with two of their five sons, they own 300,000 laying hens and they grade, carton, and market 6 million dozen eggs per year. And believe it or not, Madam Chairman, this is not a big operation.

Additionally, the Baers raise hogs and grow corn, soybeans, and wheat in Minnesota as well as Laramore and Dakota, North Dakota. To the south, Amon and one of his sons are partners in a farm near New Effington and Rosholt, South Dakota. And not to be outdone, one of his 14 siblings, three of Amon's brothers, Amos, Joel, and Jonah, are also farming in the Red River Valley region.

You cannot get any more farm family than Amon. Mr. Baer, if there was any more family in your farming operations, we may have trouble fitting them all into this room. Welcome. We appreciate your coming here today to share your thoughts on this legislation.

Chairwoman STABENOW. Thank you. And welcome to each of you. We will start with Mr. Lathem. Good morning.

STATEMENT OF DAVID LATHEM, CHAIRMAN, UNITED EGG PRODUCERS, LATHEM FARMS, PENDERGRASS, GEORGIA

Mr. LATHEM. Good morning. My name is David Lathem. I am an egg farmer from Pendergrass, Georgia, and I am Chairman of the United Egg Producers. UEP represents farmers who market approximately 90 percent—

Chairwoman STABENOW. Excuse me, Mr. Lathem. We are going to ask you just to move. Either the mic is not on or just move it a little bit more towards your mouth. We want to make sure that everybody has a chance to hear you.

Mr. LATHEM. Is that better?

Chairwoman STABENOW. That is better. Thank you.

Mr. LATHEM. Okay. UEP represents farmers who market approximately 90 percent of all eggs sold in the United States. I am pleased that in the hearing room and overflow room, we have egg producers who have come to Washington for this hearing and man-

age almost half of the nation's laying hens. UEP strongly supports S.3239 and we appreciate the Committee having this hearing.

Speaking personally, I believe that long-term viability of my family farm is in jeopardy without S.3239. Our farm is not among the very largest. We cannot set up different production systems to meet conflicting and inconsistent standards of every state. We need a production standard that is for everyone and is fair for everyone.

S.3239 allows us to plan for our future. It lets us, as producers, take charge of our own destiny. This bill has the overwhelming support of our industry. Not unanimous, because nothing important is ever unanimous, but overwhelming.

We as producers realize that we are living in the 21st century when the American public is interested as never before in where its food comes from and how it is produced. We should see this as an opportunity rather than a threat. UEP believes that S.3239 represents the sustainable future for all of us, but we are not the only ones.

This bill has scientific support from the American Veterinary Medical Association and other professional societies. It has the support of Consumer Federation of America and the National Consumer's League. Egg producer groups at the state level have come out in support from the Rocky Mountain Farmer's Union to United Farm Workers. This bill has wide support.

However, some do oppose it. I would like to engage in argument seriously and explain why we disagree. Some simply attack the Humane Society of the United States. They say, You cannot trust HSUS. It is no secret that our organization and HSUS have been adversaries. We have disagreed and fought on animal welfare use for years.

But once we started to explore whether there might be common ground, they realized that we did care about the welfare of our hens and we realized that they did care about the survival of our farms. And so we began to do work, what everyone says you should do, look for common ground, seek compromise, try to find solutions.

So the main complaints some people have against us in the egg industry, look for common ground, we plead guilty to that charge. Opponents of S.3239 also assert that this bill represents a slippery slope, a precedent that will inevitably force other animal industries into similar settlements. This is not true. There are two basic reasons why.

First, we are all here because we as producers want this agreement. With all due respect to HSUS, if they were for the agreement and we were against it, I do not think we would be having this hearing today. If other livestock sectors did not want a legislative settlement with HSUS, it is not going to happen.

The slippery slope argument says that if you approve this bill for eggs, you will inevitably follow up with similar laws for pork or beef. This assumes you as legislators are incapable of making distinctions between commodities. The problem with this argument is that it is completely at odds with what Congress has actually done over the years.

You have, in fact, always looked at each commodity separately. You do not, for example, legislate the same program for cotton as you do for peanuts. Dairy is an animal product that has price sup-

ports, but you have never seriously considered price supports for beef, pork, or eggs. Eggs have always been regulated differently from other animal products.

The Food and Drug Administration has on-farm safety authority for our farms, but not for beef, pork, or turkey operations. USDA has civil penalty authority for eggs, but not for other livestock species. By contrast, USDA Packers and Stockyards Act applies to beef, pork, and broilers, but not to eggs.

The slippery slope argument ignores this clear history and replaces it with hypothetical fears. The reality is that Congress and Federal agencies have always made distinctions among commodities. I hopefully you will forcefully reject this argument.

Madam Chairwoman, I genuinely believe that the survival of my farm and other farms are hanging in the balance. We need Senate Bill 3239 in order to provide a fair operating environment for all American farms. I strongly urge this Committee to advance the legislation and I thank you for letting me speak today.

[The prepared statement of Mr. Lathem can be found on page 40 in the appendix.]

Chairwoman STABENOW. Thank you very much. Mr. Benson, welcome.

**STATEMENT OF ERIC BENSON, PRESIDENT, J.S. WEST &
COMPANIES, MODESTO, CALIFORNIA**

Mr. BENSON. Good morning and thank you for having us here, Senator Stabenow, and other Senators. We appreciate your attending.

I am here today representing J.S. West here in Modesto, California. Our business was founded in 1909. We are family owned and operated, third and fourth generations of the West and Benson families now providing management for the company. We believe in providing the highest quality products to our customer and contributing to the communities in which we live and operate, for example, by offering high quality and retirement benefits to all 300 of our employees.

You have heard about the problems in the egg industry, the growing patchwork of inconsistent animal welfare statutes that began with Prop. 2 in California. Our family was deeply engaged in the debate on this. I have always believed that the marketplace should make most economic decisions through consumer demand and preferences. That is balanced by a belief in the political process to help set standards that our society believes in.

The dilemma we face today is that today's consumers will vote with their hearts and buy food with their pocketbooks. We as a society need to decide how we are to treat our food before it is food. I think Government's role is to set a standard. We are willing and able to produce competitively under most all conditions as long as the playing field is fair and the rules are clear.

I am here to tell you the best solution to our industry's problems in this area is S.3239, the bill that our Senator, Dianne Feinstein, has sponsored along with 15 of her colleagues. We are very proud of the leadership our Senator has shown in standing tall as a champion for our industry and for improved animal welfare as well. The two are not incompatible.

I would like to spend my brief time talking a bit about the system which would become a national standard if the bill passes. Under S.3239, producers would make a multi-year transition to enriched colony systems. At J.S. West, we have installed two production houses with this system and have taken a flock through the complete laying cycle with two more flocks currently in production.

So if you want to know what the egg industry will look like if S.3239 passes, you can watch our web cam at jswest.com. It lets anybody with access to the Internet look at our hens live and in real time. The enriched colony system is not an experiment. These enclosures are the standard for caged egg production in the European Union.

However, not many of these systems are in place in the United States yet, so you might be interested in some of our results. First, what exactly is it? It is larger than the conventional enclosure. In our case, each colony contains about 60 hens, measures 5 feet by 12 feet. Each colony is furnished with a nest box, perches, scratch areas.

Hens can express more of their natural behaviors and, of course, there is substantially more space per animal than in conventional enclosures, and you can see an example of these hens enjoying themselves with their perches and everything else right over here with our photograph that was taken out of our hens in the new system.

Our results in this system have been very encouraging. Hen mortality is lower, meaning that the small portion of hens that die during the production cycle is lower than other systems. Our egg production is somewhat better than in conventional systems. Hen feed consumption is a little bit greater, but we think that is because of the higher activity levels and the use of feed in the scratch areas. And the birds definitely use the enrichments.

S.3239 wisely provides for a multi-year phase-in of enriched systems. There are undoubtedly incremental capital costs associated with moving to the new system. However, that being said, manufacturers have told us that more than 80 percent of new equipment today is capable of conversion to these enriched colony systems.

That means that S.3239 will not necessarily require most producers to make capital investments they were not already planning to make, albeit somewhat at a higher level than before. When you consider the cost of any investment, you always consider what the returns will be and what the alternatives are.

If you really believe that you can maintain current conventional cage systems forever, there is a cost to enriched cages. In California, we are pretty sure that is not the case. If we cannot gain a consensus in favor of this enriched colony system at densities that society agrees is acceptable, the future will lie with those egg producers with the highest density of hens per square foot and the cheapest possible approach to food safety in a state where no rules exist and little concern is given to society's standards on hen welfare.

I am not here to criticize any particular production system or density level, but I am convinced that this colony system and the standards that support it are the best compromise for the future of our industry. This system has higher production efficiency and

better animal welfare than cage-free, free range, or conventional systems, and reflects the best welfare standard for egg production moving forward.

I salute HSUS for their willingness to be open on compromise in this issue in supporting this legislation. The Humane Society of the United States, as Senator Roberts so succinctly put, without using the acronyms, they recognize that you can improve animal welfare within the context of an economically sustainable cage production system if it is designed right.

What does make sense is a national production standard that is fair to everybody, that treats everybody the same, and that reflects our country's ideas of fairness and humanity. That is what is required here and that is what S.3239 provides, and we strongly urge you to support it. Thank you very much, Senator.

[The prepared statement of Mr. Benson can be found on page 35 in the appendix.]

Chairwoman STABENOW. Thank you very much. Mr. Herbruck, welcome. It is good to see you.

STATEMENT OF GREG HERBRUCK, EXECUTIVE VICE PRESIDENT, HERBRUCK'S POULTRY RANCH, SARANAC, MICHIGAN

Mr. HERBRUCK. Good morning and thank you for the chance to testify today. My name is Greg Herbruck and my brothers and I own and manage our egg farm in Michigan. Four generations of our family have been in the egg business and we struggle with the same challenges as other egg farmers and livestock producers.

For example, more than half the cost of producing eggs is feed. In the current drought, we have seen costs go through the roof. As projected yields have fallen over much of the nation, grain prices have soared, and the vast majority of our feed cost is the corn and soybean meal. And yet, in some ways, the situation I will describe to you today is even more serious for us than the drought.

Over the years, we have always tried to meet the needs of our customers. For example, we have been part of the growing organic egg industry and we partner with 28 other farms, many of them very small scale, to supply a wide range of eggs through different production systems.

We also produce conventional eggs where the hens are kept in cages. There were good reasons our industry moved to this production system many decades ago: Animal health, protection from predators, and economic efficiencies. But we have to acknowledge that in the last few years, keeping hens in cages has become extremely controversial.

As producers, we believed we had science on our side, having implemented the welfare recommendations of an independent scientific advisory committee. However, we have learned that consumers and voters do not make the decisions based simply on science.

Most are several generations removed from the farm, and whether you call it values or emotion, the way they form their views of animal welfare issues is not the same as ours. They are our customers and in any business, if you do not listen to your customers, you are headed for trouble.

Egg farmers got a dramatic wake-up call when California voters passed Proposition 2 by a two to one margin in 2008. This ballot initiative made the conventional cage system illegal. Under the threat of similar ballot measures, other states moved to establish their own standards for egg production. Madam Chairwoman, you are aware that our State of Michigan was one of those.

In just a few years, egg farms in Michigan will be required to provide more than twice as much space for each bird as the current industry standard. The future of our industry on the current path is a patchwork of state animal welfare laws that are inconsistent, contradictory, and ultimately unworkable.

In many, if not most, cases, these laws will not just affect the producers in a particular state. They are written to apply to all eggs sold in the state, no matter where they are produced. This means that a farmer in Iowa will have to comply with California state standards because some 30 percent of the eggs sold in California currently come from Iowa.

This helps you understand why we have a problem. Eggs move across state lines every day. This is how our business works. Virtually all states are either in surplus, meaning we produce more eggs than the population consumes, like Michigan, or in deficit, meaning that most farms are incapable of producing what the state consumes, like New York or South Dakota.

Our farms cannot maintain a separate henhouse standard for every state where we want to sell eggs. And yet, that is pretty much where we are headed where the current patchwork of laws keeps expanding. Even already passed laws. Michigan's standard is different from Ohio's, which is different from Washington's, which is different from Oregon's, which is different from California's. It actually gets worse.

We sell to major food service and grocery customers who have outlets in these states. It would be an impossible task to keep track of which eggs were produced in which states, to meet all the different standards of every state where they have a store or a restaurant. You can see we are on a road to chaos.

I also urge you to examine the House version of the Farm Bill. There is an amendment which encourages the exact opposite approach to a national standard. If Herbruck's has to produce to a specific food safety and welfare standard and neighboring states do not, this will constitute an economic death sentence for our farm.

The situation is the same for producers in California, Oregon, Washington, Ohio, and Arizona, and other states with similar standards. Unfortunately, the private sector alone cannot solve this problem. No matter what we do as producers voluntarily, we cannot avoid the threat of future ballot initiatives, and 24 states have them.

So we are at the mercy of the next activist group that wants to mandate cage-free production in our state. We are convinced the only solution to this problem is a national production standard, as contained in Senator Feinstein's bill, S.3239. This bill is the best solution for hen welfare, food safety, and consumer choice.

It is essential to the Michigan egg industry that this legislation be passed as quickly as possible so we can stay in business. We strongly urge this Committee to support S.3239. Thank you.

[The prepared statement of Mr. Herbruck can be found on page 38 in the appendix.]

Chairwoman STABENOW. Thank you very much. Mr. Baer, thank you, welcome.

**STATEMENT OF AMON BAER, OWNER, MENDELSON EGG
COMPANY, LAKE PARK, MINNESOTA**

Mr. BAER. Thank you very much, Madam Chairwoman, Senator Roberts, thank you for the kind introduction, and other distinguished Senators of the Committee. Thank you for the opportunity for me to be able to testify today on behalf of Egg Farmers of America, to our opposition to S.3239.

Egg Farmers of America is an association of over a dozen small and medium-sized egg family farming operations, including cage-free operators located throughout the Midwest. Senator Roberts did a very nice job of introducing me, so I will not re-introduce myself. Thank you.

We have five primary reasons we are opposed to this bill. The bill will essentially kill the small family egg farmer. The bill will result in a dramatic increase in cost to consumers. The bill is not necessary. You would be establishing a precedent that could virtually affect all of the livestock industries. And S.3239 is not justified by science.

Killing the small family egg farm. Egg production is a cyclical, high volume, very low margin business. This bill, if passed, would benefit the 180 or so mega-sized operations to the detriment of the 1,800 other family farms. The experience of my nephew is an example of why this is the case. He has just installed new housing for 200,000 layers, investing almost \$2.5 million.

That equipment system has a useful life of over 30 years. If S.3239 becomes law, he will be required to tear all of that equipment out and essentially start over just as he is getting his first set of equipment paid for. His replacement cost then to maintain his current production standards would be almost \$5 million. In my 40 years in the egg business, I can tell you there is no way that young man will be able to raise that kind of money in 18 years.

Cost to the industry. In 1999, the European Union issued a similar directive requiring conversion to enriched housing over a period of 12 years. As anticipated, many producers waited until January and simply closed their operations due to the higher operating costs and capital investment required.

European consumers have seen supplies cut by 20 percent and prices soar up to 55 percent higher. We can expect similar results in this country. UEP's own economic analysis indicates that by 2029, 65 percent of the production will still be in conventional cages at 67 inches.

This law is unnecessary. Today, any egg producer who currently wants to produce eggs in enriched colony housing has the freedom and ability to do so. They do not need a Federal law to require them to produce eggs at that level. The Federal law is needed to push the small farmer out of business so there is less production.

It sets a bad precedent. As a lifelong UEP member and UEP Board member, I am very sympathetic to the unfortunate situation faced by the egg farmers in California. Eric Benson mentioned that

a lot of money was spent. My family sent thousands of dollars to help California try and defeat Proposition 2. But the problems of one state, even a handful of states, does not justify a Federal mandate in all 50 states.

I agree with the California Congressman who recently said during the House Ag. Committee consideration of the Farm Bill, quote, We have a terrible situation created by the voters of California with the egg situation. Now that I am a retiring member, I can say that I do not always agree with what the voters do, and they in California made an awful mistake with regard to the poultry and egg situation. I certainly agree with that Congressman.

After the 1999 EU directive, as many as 27 separate food safety studies were performed in Europe and the United States. None of the science conclusively points to improved food safety as a result of enriched housing. Additionally, the U.S. Department of Agriculture stated last July, Hens can experience stress in all housing types and no single housing system gets high score on all welfare parameters.

On January 26th of this year, the American Veterinary Medical Association noted in a statement that, quote, Each of the additional features in an enriched colony has the potential to malfunction, causing injury, harboring disease vectors or parasites, or provoking aggression.

Before concluding my remarks, I would like to state for the record that I personally, as well as others who oppose this legislation, have received threats in an attempt to force our support rather than oppose this legislation. We are evaluating those threats with lawyers and law enforcement officials. I wanted this record to reflect our concern so that its absence is not used against us in later legal proceedings. Thank you, Madam Chairwoman, for the time.

[The prepared statement of Mr. Baer can be found on page 29 in the appendix.]

Chairwoman STABENOW. Thank you very much. We will move to questions at this point. Mr. Herbruck, could you respond a little bit more to the challenge of patchwork of different state regulations? I know certainly in Michigan the state legislature, as you mentioned, passed a law that takes effect, I believe, like 2020. What Mr. Baer is talking about, a voluntary effort, why can we not just do this voluntarily as opposed to what is happening and how it affects the management decisions for you as an egg producer looking at the patchwork of different regulations across the country?

Mr. HERBRUCK. Well, as I mentioned, we sell eggs in roughly 30 other states, and with this continued expanding of individual state standards, we could have to have a chicken house for every state. And it is just impossible to manage that type of operation, as well as the logistics of moving eggs through a system, of what it takes to keep track of Ohio eggs versus West Virginia eggs versus Michigan eggs.

And that is our concern, is that we will be having to do the logistics of that. Then our customer. If it is a centralized warehouse, they have got to say, Well, this egg has to go to Ohio or West Virginia or Michigan, and that is a real concern of where that patchwork is leading.

Chairwoman STABENOW. Thank you very much. And I also want to thank you because you have been really at the forefront of proactively reacting to consumer interest, and so we appreciate that.

Mr. Latham, could you talk about the issue around prices for eggs that has been raised in terms of what this does to food prices and so on? If S.3239 becomes law, what will the consumer level impact on egg prices be and are there provisions in the bill that would ensure that egg prices do not dramatically increase as a result of what is proposed in these changes?

Mr. LATHEM. Well, of course, egg prices always fluctuate. You know, the last two years, eggs have been as cheap as 75 cents a dozen. The market today, they are probably \$1.60. We are affected a lot by the cost of our ingredients, and as we all know, corn and soy have gone very high, so we have always had a lot of prices.

But we did have a study from Agrilytica Consulting and the work they did shows that over the 18-year phase-in time period, there is only about one-and-a-half cents per dozen, 1 percent extra cost from implementing this program. Even when we get through that phase-in period, we are looking at approximately 9 cents per dozen when everybody is in enriched cages. And we think that is a very reasonable number. It is less than a 5 percent increase from where we are today and we think that is very reasonable.

Chairwoman STABENOW. And could you speak at all to the price increases in the European Union and what they have experienced?

Mr. LATHEM. Yes, definitely. You know, we have done a lot of work on this legislation, and one of the things that we wanted to do is ensure that we did not have what happened in Europe. So we have a phased-in tiered approach where there are dates that we will raise the square inches per chicken, and unlike Europe, which did not do that. Europe had one final date that you had to go from existing housing to new enriched housing. So our legislation is much, much better, well thought out and well planned so that we will not have price spikes.

Chairwoman STABENOW. Thank you. And Mr. Benson, in talking about the price differences from the standpoint of a producer, when you look at things like a depreciation schedule and so on for the traditional hen cages, what provisions are included in the bill to make the transition compatible with what you would do in the normal course of business as you make decisions?

Mr. BENSON. We currently have a couple of houses on our ranch. I think my cousin put them in 1992 or 1993, and the equipment in those houses is in desperate need of replace right now. We do not know what we can put in there. That is obviously part of the uncertainty issue. But if you take a look at that, it is about 20 years.

The legs to the bottom of the cages are starting to rot away, the roll-outs where the eggs rolls out from underneath the hens is getting more wavy than it should, the belt feeder that goes down is going up and down and it is a much higher level of checks. It is time for us to replace the equipment in our Hilmar houses 3 and 4.

So from that experience—and that was good quality equipment that we purchased—other people may have different experiences, I

do not know, but from our experience, we have got to do this in 20 years. The equipment is just not as efficient. Today's equipment is a lot better, it is designed stronger, the Dutchman equipment we put in is designed to last a long time, but once again, beyond 20 years, I just—I do not think it is practical. We need to do it anyway.

As far as depreciation schedules, you know, a lot of people say, Well, what does it cost? I have to say ongoing operating costs are very similar to what we are going to have today. People costs, a little different. The biggest difference is possibly a little bit higher feed costs. The biggest thing is the capital. At some point, you are going to have to get that money, but it is not—the rest of it is really no different.

Chairwoman STABENOW. Thank you very much. Senator Roberts?

Senator ROBERTS. Limited time. Amon, as a UEP Board member, did anybody from UEP give you any notice or contact you to tell you that UEP was negotiating this agreement?

Mr. BAER. As a Board member, I was notified, but the UEP membership as a whole was not notified about the negotiation of this. I have a brother who has been a UEP member for 20 years and he knew nothing about it.

Senator ROBERTS. After the deal was reached, were you ever formally polled to see if you supported the agreement?

Mr. BAER. I am sorry. Somebody coughed behind me.

Senator ROBERTS. That is allowed.

Mr. BAER. But I am getting old. My hearing is not good anymore.

Senator ROBERTS. Well, that is allowed, too. After the deal was reached, were you ever formally polled to see if you supported the agreement?

Mr. BAER. No. The UEP membership as a whole was never asked to vote on this.

Senator ROBERTS. All right.

Mr. BAER. The only votes taken were Board members.

Senator ROBERTS. If the Federal Government mandates the new standards described in this legislation, what will happen to your business? I think you pretty well answered that with your nephew who has expended 2 million bucks to basically modernize his operation, and you are indicating it could cost him \$5 million. The folks to your left will say—your right, my left—will say, but they have got 18 years to do it. Any comments?

Mr. BAER. Yes. I guess I would just like to say that my son is also looking at taking over my operation. I would like to sell it to him. My nephew, because he put equipment in two years, can produce eggs at 67 square inches up until 2029. My son, if he takes over my operation and puts new equipment in now, he will have to produce eggs at 78 square inches, at 90 square inches, at 101 square inches, 113 square inches, and 124 square inches in three-year increments.

And because he is starting two years later, he will be locked into a more inefficient egg production system that costs more per dozen than his cousin, and he will be competing with his cousin at a two or three or four cent a dozen disadvantage for that entire period.

My son will not be able to take over my operation and produce eggs for 18 years at that big a production cost deficiency. He is

going to be competing with his cousin and the 70 percent of the other producers who are able to produce them at 67.

Senator ROBERTS. You not only are into egg production, you have got a very diversified farming operation. Do you have concerns that a regulation like this will just lead to even more consolidation in what is already a very consolidated industry?

Mr. BAER. Absolutely. My son is a prime example. He will simply not be able to borrow the money to put these new cages in if he has to be at a competitive disadvantage to 70 percent of the industry.

Senator ROBERTS. Actually that was another question that I had. How have others responded to your opposition? Are you getting along with those folks on your right?

Mr. BAER. I have a great deal of respect for all of my fellow producers. This one issue we disagree on entirely. I agree with all the points they made. I just do not think this is the proper solution.

Senator ROBERTS. All right. You raised hogs. You mentioned in your testimony you are worried about the precedent that this legislation will set. Would you talk a little bit about your concerns?

Mr. BAER. Yes. Proposition 2 did not only cover laying hens. It also covered hog gestation stalls, and that same issue is being played out in the hog industry right now. If Congress steps in and starts the process of regulating on-farm production practices, I do not think that HSUS or the animal rights groups or anybody else that is advocating for that will stop. They will continue to try and advocate and have the Federal Government set standards for all livestock.

Senator ROBERTS. Mr. Lathem, UEP controls 90 percent of egg marketing. Is that about right?

Mr. LATHEM. Yes, yes, sir. That is correct.

Senator ROBERTS. UEP also has the UEP certified program that sets welfare standards.

Mr. LATHEM. Correct.

Senator ROBERTS. If you control 90 percent of the market and you have a welfare standard that should be available, knowledge to all consumers, why do you need the Federal Government to set a new standard?

Mr. LATHEM. Well, what I think we found out in the egg industry is that truly the public is interested in our industry like never before. We do have an excellent program. It is size, space. It has been very well accepted.

But what we have seen now is that people, our consumers, we see that through ballot initiatives, through our customers developing their own plans. We see that people want to be involved in how their food is produced. And what we need is a consistent, level playing field, everybody on the same program. We do not feel like it is right for some producers to stay in business while some others go out because they live in the wrong state or because the luck of the draw.

We feel like that eggs should be produced humanely and consumers are going to have a right to say in that. And the main thing is, is something that we all can live with, and I think that is very, very important.

Senator ROBERTS. If this bill were enacted into law and cage size is increased, what is the benefit to human, to human health from a food safety standpoint?

Mr. LATHEM. Excuse me. Would you repeat that question?

Senator ROBERTS. If this bill is enacted into law and cage size is increased, what is the benefit to human health from a food safety standpoint?

Mr. LATHEM. Well, I think we produce very safe eggs today, the safest they have ever been, and I do not see that changing. I think we have safe eggs today. We will continue to have safe eggs.

Senator ROBERTS. The hen housing requirement in the proposed rule calls for 116 square inches. Why are we considering a law that calls for 144 square inches for white eggs or, for that matter, 130 or 150? Who decided on this number? How do you know this is exactly the right number of square inches?

Mr. LATHEM. Well, we actually are not doing—it is actually 124 inches, is the number. I think the other number that you quoted was for brown hens. For white hens, it is. That was a negotiated number, but there is a lot of science behind that. You know, this is not a new system for Europe. They have been working on this system for years, and we have relied on them and their number is 116. So we negotiated 124, which is very, very close to the 116 number that there is a lot of science that supports.

Senator ROBERTS. You commissioned a report that says the investment cost for enriched cages was 24 bucks per hen for new construction, \$20 per hen for renovation, plus another dollar per hen for perches and scratch pads. So that would equal roughly \$8 billion to convert U.S. egg-laying houses over to the enriched system.

Is this argument in favor of the bill, that no one will notice such a dramatic cost increase if they are spread out over several years, or what? That is 8 billion bucks. That is a lot of money.

Mr. LATHEM. Well, I think, number one, \$8 billion is a little on the high side. I do not come up with that figure and I build hen houses—

Senator ROBERTS. What do you think, six or seven?

Mr. LATHEM. I think it could be as high as 6 billion.

Senator ROBERTS. Six billion.

Mr. LATHEM. But I also think it is very important that you realize that over the next 15 to 18 years, we are probably going to spend 3 billion anyway. So the incremental cost, I would say, would be closer to the 3 billion number. And when you spread that over the number of eggs, it comes up to one-and-a-half cents per dozen over the transition period and approximately nine cents when we totally complete the transition. Nine cents is about 5 percent of the cost of a dozen eggs.

So we think it is very reasonable when, at the end of the day, all farmers are here to please the public and produce what they want. We do have to listen to the public and we hear what they want.

Mr. BENSON. I can say, Senator Roberts, that our experience is around those numbers. \$20.50 is the bid that I got to replace the equipment in our houses three and four, and 24 is about right to build from scratch the kind of scale we are talking about. But we do not plan to spend it all right away.

Senator ROBERTS. Mr. Benson, you got that right. You indicated that egg production costs are pretty stable and that as a consequence you could probably figure out what would happen in 18 years. Are you aware of the drought that is going on here nationwide, Midwest, North Dakota down to Texas, second year for Kansas? We have pretty well burned up, and cattle and poultry are affected dramatically.

I would expect that those consumer implications, while not immediate, that over the next year could be considerable. Note I should could be. We do not have all of the USDA figures. The Chairwoman and I are very concerned about that. Have you figured that? You do not know what is going to happen in regards to your cost of production. Of course, that is an impossible thing to determine.

Mr. BENSON. Well, I mean, I think the cost of feed is the one of our biggest costs, and yeah, that is a real uncertain portion of what is going to happen going forward, but we live in a very competitive marketplace, and I know that the 5 percent that we are talking about or that we have talked about in the Agrilytica study, over an 18-year period is a fairly low number compared to the amount of money that—or the amount of prices of eggs that have gone up and down over the last couple of weeks.

These short-term fluctuations are one thing, but I also know something about the long-term trend. The long-term trend has been towards better technology, better production efficiency, and more room for the hens. It is how long the equipment lasts, 18 to 20 years, like I said. We are pretty aware of some of the longer term trends. And quite frankly, if there is money in this business, people will expand production.

Senator ROBERTS. Madam Chairwoman, I think they have already talked about the situation in the EU. When Europe implemented this and that, it was a 13-year phase-in, egg supplies. Apparently they waited until the last and then tried to implement it. Typical situation in the business community with a regulation, but that egg supplies plummeted 20 percent, egg prices soared 55 percent. I certainly hope that does not happen in the United States.

Chairwoman STABENOW. Thank you very much. Before concluding the hearing, I would like to ask each of you, from your perspective, what the biggest challenges are for egg producers in the United States and what you see as the future of the industry over the next 20 years. Mr. Baer, would you want to talk about what you think the biggest challenges are from your perspective?

Mr. BAER. Certainly the short-term challenges will be the feed costs, as Senator Roberts explained. The feed costs this year, who knows where they are going to end up at, and it is 65 to 70 percent of our total costs of production.

On a long-term basis, there is going to continue to be consolidation. This type of a bill would accelerate that. It is just much easier for the big operators, the multi-million bird operations, to convert small percentages of their farms over.

That works to the detriment of individual family farms like my nephew and my son who, when they make the conversion, basically because they have got one barn, they have to do 100 percent of the conversion right now. And that is why it does not work for the

small family farmer, and other concerns long-term, certainly as the activism from animal rights advocates and all the issues that surround that. Thank you.

Chairwoman STABENOW. Mr. Herbruck.

Mr. HERBRUCK. Good morning again. The corn prices and the grain prices are significant, but that is going to be impacted whether we have a conventional or an enriched cage. We will be dealing with that. Really the biggest concern is the uncertainty. I have a family. We are all family members and we hope to have a business we can share with our children and grandchildren for the future.

Right now we have an uncertainty. As I mentioned, in Michigan, we are in a tough spot. If we do not do something to change the path, we could be significantly competitively unprofitable because if our peers in the neighboring states do not have to do things and we do have to follow a new standard that doubles our capacity, our customers love us, but they will move on. For a few pennies, they will move on.

And so, the uncertainty. That is why we need this as a certainty so we can all make plans for our futures.

Chairwoman STABENOW. Thank you. Mr. Benson.

Mr. BENSON. I am afraid Mr. Herbruck has taken my major point and it is that uncertainty, especially in California. It is not just the various rules we have for various states. It is also the way that they are going to be interpreted, and the uncertainty that we have in whether or not what we are planning on doing complies with ill-written initiatives from various states.

If the rules are not clear, much less whether or not there is a level playing field, but if the rules are not clear, we do not know what to do going forward and that puts our family in a difficult bind.

Chairwoman STABENOW. Thank you. Mr. Lathem.

Mr. LATHEM. I would say that they stole my point, too, but I really look at it a little different. I think it is really—that is why we are all here. That is why almost 50 percent of the U.S. production is represented here today. We are unified. We do need to know that we have a future. We need a level playing ground.

The number one thing that scares me is, what kind of house do I build? Will my customers change their mind? Will I not be able to ship eggs? Will somebody from Iowa ship eggs to Georgia because they cannot go to California? We, as farmers and producers, our job is to look after consumers, to do a good job, to produce abundant, cheap, quality, high quality food that is safe, and that is what we want to do.

But we deserve and want a level playing ground and that is why we are here today. Thank you.

Chairwoman STABENOW. Thank you very much. And thank you to each of you. This is a very challenging issue because of what the states are doing, and I certainly know from Michigan's standpoint, Mr. Herbruck, what you are talking about in terms of our Michigan producers and the patchwork effort that is going on across the country right now.

So we thank you very much for being here. Mr. Lathem, you talked about coming together, of differing views, folks that normally would not be on the same side coming together and finding

common ground. We are used to doing that in this Committee. We sit around this table and do that. That is how we got a bipartisan Farm Bill and we are proud of that and how we were able to pass it in the Senate.

So I am hopeful that we will be able to come together and find common ground on this very important issue for the egg producers across the country.

Mr. LATHEM. It is important and we do appreciate the opportunity.

Chairwoman STABENOW. Thank you very much. The hearing is adjourned.

[Whereupon, at 10:41 a.m., the hearing was adjourned.]

APPENDIX

JULY 26, 2012

**Senator Grassley – Statement – Senate Agriculture Hearing on on S. 3239 the
“Egg Products Inspection Act Amendments of 2012”**

July 26, 2012

Thank you Madam Chairman. This whole issue of restricting the way farmers raises and cares for his or her animals causes me concern. Certainly people can point to some bad actors, but the overwhelming majority of farmers take very good care of their animals as they produce food for this nation and world.

The fact is we are here today because there is a segment of people who don't want us to eat meat or eggs. And some states have passed bad laws that are hurting their egg producers and consumers, and now they want to fix it by putting non-science based restrictions on all egg farmers.

No matter how many times people who support this mandate on egg farmers say its only about eggs, we know that simply isn't the case. This will set a bad precedent if its enacted. And other livestock producers should be concerned if this bill were to become law.

I want to say, I commend my colleague from Iowa, Congressman King for offering his amendment dealing with this issue in the House Agriculture Committee. I know he shares my concern that some states are setting laws that aren't based on sound science, and Iowa farmers are having to deal with the negative consequences of those unreasonable state laws.

One thing I am particularly concerned with is if this proposed national mandate were set, it would be extra burdensome for the small egg producers who can't afford to build new barns. And I hate to say it, but the large egg producers who are supporting this mandate surely understand this potential burden for the small farmers, and those large producers surely stand to gain from driving small producers out of business.

**SENATE COMMITTEE ON AGRICULTURE, NUTRITION &
FORESTRY**

FULL COMMITTEE HEARING

**Hearing on S.3239 the “Egg Products Inspection Act Amendments
of 2012” – Impact on Egg Producers**

Thursday, July 26, 2012

328 Senate Russell Office Building

Opening Statement

Senator John Thune

Madam Chairwoman and Ranking Member Roberts, thank you for holding this hearing on this very controversial issue. I look forward to hearing testimony the both panels of witnesses and welcome Mr. Amon Baer, Owner of Mendelson Egg Company in Lake Park, Minnesota, an egg producer who also has farming interests in South Dakota.

Statement

Senator Dianne Feinstein, California

Hearing before the Senate Committee on Agriculture, Nutrition, and Forestry
*Regarding S. 3239 the "Egg Products Inspection Act Amendments of 2012" -
Impact on Egg Producers*

July 26, 2012

Chairwoman Stabenow, Ranking Member Roberts, Members of this Committee, I would like to thank you for this time to discuss the "Egg Products Inspection Act Amendments of 2012."

This is a bipartisan bill cosponsored by Senators Stabenow, Leahy, Blumenthal, Scott Brown, Cantwell, Collins, Kerry, Lautenberg, Lieberman, Menendez, Merkley, Murray, Sanders, Schumer, Vitter, and Wyden.

The United Egg Producers represent approximately 90 percent of the eggs sold in the United States and the Humane Society of the United States is the largest animal welfare organization in the country.

These two groups came together to forge a compromise agreement that will ensure the future of the egg industry and result in a better product. This is the kind of agreement we need more of and we should support their efforts.

In 2008, Californians passed Proposition 2, which among other things, created a requirement that hens be able to stretch their wings and turn around. This initiative passed with an overwhelming majority. Similar measures were also put in place in Michigan, Arizona, Washington, Ohio and Oregon.

The result of these individual state-level initiatives is a patchwork of standards that make it hard for egg producers to know the rules of the road and to conduct interstate commerce. Egg farmers nationwide are stymied as they attempt to upgrade their infrastructure and develop new enterprises. Why grow when the rules of the road might change and invalidate your investments? Why develop a new market, if that market might not be open to you in a few short years?

This legislation addresses these problems. The agreement establishes a single national standard for the treatment of egg-laying hens and the labeling of

eggs. You will hear a lot more detail from the next panel, but let me briefly explain what this bill does:

- The size of hen cages is increased over the next 18 years and enrichments like perches and nests are added so that chickens can engage in natural behaviors.
- The practice of depriving hens of food and water to increase egg production is outlawed.
- Minimum air quality standards are put in place for hen houses, protecting workers and birds.
- And clear requirements for egg labeling are created so consumers know whether the eggs they buy come from hens that are caged, cage-free, free-range, or housed in enriched cages.

I understand there are some who have concerns about this bill. Let me be clear on a few points:

First, this legislation applies only to egg producers and is the result of careful negotiations between animal welfare groups and the only industry that would be affected.

Second, I have heard concerns that this bill would hurt small producers. That is incorrect. Farmers with 3,000 birds or fewer are specifically exempt from the provisions of this legislation. Organic, cage-free, and free-range egg producers will be unaffected by the housing provisions of the bill, except that they may see increased sales, as consumers are able to more clearly tell what is available on store shelves as a result of the labeling provisions. For those who are affected by our bill, there is a long phase-in period – up to 18 years. In this period of time, most producers replace their cages anyway.

Next, the science behind this legislation. This legislation is endorsed by the leading scientists in the egg industry, the American Veterinary Medical Association, and the two leading avian veterinary groups. Studies show that these new cages can result in lower mortality and higher productivity for hens, making them more efficient for egg producers.

Finally, I want to set the record straight with regard to the cost of this bill. The Congressional Budget Office scores this legislation as having no cost and a study by Agralytica, a consulting firm, found that this legislation would not have a substantial price effect on consumers.

It is also important to note that this bill reflects what is already happening in consumer demand. McDonalds, Burger King, Costco, Safeway and other companies are already phasing in new humane handling requirements for the production of the food that they sell.

Further, a survey by an independent research company, the Bantam Group, indicates broad support from consumers. Specifically, they found consumers support the industry transitioning to larger cages with enrichments like perches and nesting boxes by a ratio of 12 to 1.

You will meet several egg producers on the next panel, including Eric Benson, from my home state of California, whom I would like to welcome. They have all come to Washington to be heard.

I would also like to add the most recent list of supporters for this legislation into the hearing record. As of today, it is 13 pages long. This list includes 14 agriculture and egg producer groups, the four major veterinary groups who look at egg and laying hen issues, five consumer groups, and many more.

This compromise represents something unique in animal agriculture. This is an animal welfare group and industry working to forge an agreement that is practical and contains reasonable time frames for producers to implement new cage sizes, new protections for the animals and workers, and clearer labeling. This is a practical, fair-minded deal that solves a real problem for the egg industry.

I encourage the Committee to support this bill.

29

Amon Baer

Mendelson Egg Company

Testimony on

S. 3239, the Egg Products Inspection Act Amendments of 2012

U.S. Senate Committee on Agriculture, Nutrition & Forestry

328A Russell Senate Office Building

Washington, DC, 20510

Madame Chairwoman, Senator Roberts and other distinguished Senators of the Committee, thank you for the opportunity to testify before the Committee today on behalf of Egg Farmers of America to discuss our opposition to S. 3239, the Egg Products Inspection Act Amendments of 2012. Egg Farmers of America is an association of over a dozen small and medium sized family egg farming operations, including cage-free operators, located throughout the Midwest.

My name is Amon Baer, and along with my wife of 38 years, Camille, we are owners and operators of a family farming operation in Lake Park, Minnesota. And when I say family farming, I mean that our operations involve several of my immediate family members. Two of our five sons have joined our farm on a full time basis. We have 300,000 laying hens. We grade, carton and market 6 million dozen eggs per year. We also produce hogs and grow corn, soybeans and wheat. Four of my brothers all have farming operations very similar to mine. In total, 9 of our children are at various stages of transitioning to ownership of our family farms. I say this because you need to understand that Senate bill 3239 would put at risk our children's ability to buy, own and operate our egg production. Therefore, we oppose S. 3239 for 5 primary reasons:

1. The bill will essentially kill the small family egg farm;
2. The bill will result in a dramatic increase in the costs to consumers by as much as 55%;
3. The bill is not necessary and is inconsistent with a Congress that has vowed to limit the size and scope of the federal government;
4. You would establish a precedent that will affect virtually all other animal production; and
5. S.3239 is not justified by science.

I will briefly elaborate on each point in my comments:

1. Killing the small family egg farm

Egg production is a cyclical, high volume, very low-margin business. Our operation of 300,000 layer hens is small by today's standards. In the US, there are ~2,000 commercial egg farms, 180 of which produce 95% of the total US egg production. Those operations range between several hundred thousand to 28 million laying hens each. The remaining 5% of the US egg production comes from the ~1800 small, family farms. This bill, if passed, would benefit the 180 mega operations to the detriment of the 1800 family farms. The experience of my nephew is an example of why that is the case. He just installed new hen housing, investing \$2.5 million into housing that has an expected useful life of over 30 years. Had S. 3239 been in place last year, no banker would have lent him money to build the new houses, first because he would have had to reduce the size of his operation and secondly because S. 3239 would have required him to scrap his equipment more than 10 years early. If S. 3239 becomes law he will be required to tear out all that equipment and essentially start over just as he was getting the current system paid for. His replacement cost to convert to enriched housing and maintain his production base would double up to \$5 million dollars. Based on 40 years of my experience in the egg industry, he would not be able to raise the capital necessary to accomplish that, especially in today's tight credit markets.

When it comes to saddling small farmers with bigger costs, I've heard lawmakers from both sides of the aisle urge colleagues to protect small and medium-sized producers. Yet here we are today, discussing a bill that will accelerate consolidation in the egg industry, enriching the mega corporate producers who have more access to capital while discriminating against the small farmer who does not.

2. Costs to the industry and consumers

In 1999, the European Union issued a directive requiring the conversion to enriched housing over a phase-in period spanning 12 years with implementation taking effect in January 2012. As anticipated, many producers waited until January and simply closed their operations rather than endure higher

production costs. The results have been harsh - especially on European consumers who have seen supplies cut by up to 20% and prices soar, on average, 55% higher. We expect similar consequences here if S. 3239 becomes law because it would force over 90% of the industry to overhaul their production facilities.

A 55% price increase for eggs means that taxpayers would shoulder additional direct costs for WIC which requires egg purchases as well as eggs purchased for the Department of Defense. Further, some implementation estimates only count one-time costs rather than ongoing cost increases for USDA to enforce S. 3239. The cost to implement S. 3239 ranges from \$4 billion as acknowledged by the United Egg Producers (UEP), to \$10 billion, as disclosed by farmers who have already priced out the transition to enriched housing. For small and medium sized farmers, this cost is terminal. And for a country facing \$15.6 trillion in debt, it is incredibly irresponsible.

3. The law is unnecessary

Today, any egg producer who currently wants to produce eggs in enriched colony housing has the freedom and ability to do so. Therefore, you must question the true motivation behind a federal statute which mandates inch per cubic inch size requirements for hen houses. Already some quick service restaurants such as Burger King and McDonald's have announced future purchases will come from larger hen houses. Consumers can choose cage-free, free-range or organic options at various price points. Simply put, the free market is working and producers of all sizes are free to make housing changes.

According to data provided to the UEP certified program in 2011 by Information Resources Inc, 96% of eggs purchased in the United States or 19.8 billion eggs come from current housing systems. In substance consumers are voting based on cost. Incidentally, S. 3239 will have a negative impact on producers that have made investments in novel production practices. Since S. 3239 mandates a higher production cost, those who made investments in cage free systems will stand to see their premiums

wiped out. It is that reason why Egg Farmers of America, in addition to representing small egg farmers, also represents the voice of cage-free and organic operations.

4. Bad Precedent

As a lifelong UEP member and UEP Board Member, I am sympathetic to the unfortunate situation faced by egg farmers in California as a consequence of Proposition 2 passed in 2008. BUT, the problems of one state or even a handful of states does not justify a federal mandate on all 50 states. Whether debating CAFÉ standards, crop life protectants or even food labeling, Congressional members from California have fought AGAINST federal laws that preempt their state. Now, they are seeking federal preemption to override a bad state law. Keep in mind that Proposition 2 applied to production in the state of California. A separate law passed by the California assembly applied those standards to eggs sold from outside the state. This clear violation of interstate commerce was a result rendered by the General Assembly, not the ballot initiative. I along with the other members of Egg Farmers of America, and even the members of UEP, shouldn't be invoiced for the charges racked up by the California Assembly. I agree with one California Congressman who recently said during House Agriculture Committee consideration of the Farm Bill, quote "We have a terrible situation created by the voters of California with the egg situation there. Now that I'm a retiring Member I can say that I don't always agree with what the voters do. And they in California made an awful mistake with regard to the poultry situation, the egg situation in California."

5. S. 3239 is not justified by science

After the 1999 EU directive, as many as 27 separate food safety studies were performed in Europe and in the United States. None of the science conclusively points to improved food safety as a result of enriched housing. Additionally, the U.S. Department of Agriculture stated last July that quote: "Hens can experience stress in all housing types, and no single housing system gets high scores on all welfare

parameters. Like-wise, no single breed of laying hen is perfectly adapted to all types of housing systems. Additionally, management of each system has a profound impact on the welfare of the birds in that system, thus even a housing system that is considered to be superior relative to hen welfare, can have a negative impact on welfare if poorly managed.” Then on January 26th of this year, the American Veterinary Medical Association noted in a statement that, quote “Each of the additional features in an enriched colony has the potential to malfunction causing injury, harboring disease vectors or parasites or provoking aggression.”

Before concluding my remarks, I would like to state for the record that I personally as well as others who oppose this legislation have received threats in an attempt to force our support rather than oppose this legislation. We are evaluating those threats with lawyers and law enforcement officials. I wanted this record to reflect our concern, so that its absence is not used against us in later legal proceedings.

To summarize, Madame Chairwoman and Senator Roberts, I believe this legislation will kill the family farmer, will cost consumers and taxpayers a 55% increase in egg prices, is unnecessary and scientifically unjustified. I respectfully urge Congress to resist any further action on this legislation.

**Statement of
Eric Benson
JS West
Before the
Committee on Agriculture, Nutrition, and Forestry
United States Senate
July 26, 2012**

Good morning. My name is Eric Benson, and I am here today representing JS West in Modesto, California. Our business was founded in 1909. We are family-owned and – operated, with the third and fourth generations of the West and Benson families now providing management. Our values are family, employees, customers and community. We believe in not only providing the highest-quality products to our customers, but also in contributing to the communities in which we live and operate -- for example, by offering quality health care and retirement benefits to all our employees.

You have heard about our problems in the egg industry – the growing patchwork of inconsistent state animal welfare laws that began with California’s Proposition 2. Our family was deeply engaged in the debate about that ballot measure. I have always believed that the marketplace should make most economic decisions through consumer demand and preferences. That is balanced by a belief in the political process to help set standards that our society believes in. The dilemma we face is that today’s consumers will vote with their hearts and buy food with their pocketbooks. We as a society need to decide how we are to treat our food before it is food. I think government’s role is to set at least a minimum standard. We are willing and able to produce competitively under most all conditions, as long as the playing field is fair and the rules clear.

I am here to tell you that the best and real solution to our industry’s problems in this area is S. 3239, the bill that our Senator, Dianne Feinstein, has sponsored along with 15 of her colleagues. We are very proud of the leadership our Senator has shown in standing tall as a champion for our industry and for improved animal welfare. The two are not incompatible. We can have both a vibrant egg farming sector *and* improvements in the welfare of our hens.

I would like to spend my brief time talking about the system which would become a national standard if the bill is passed. Under S. 3239, producers would make a multi-year transition to enriched cages.

At JS West, we have installed two production houses with this system and have taken a flock through the complete laying cycle, with two more currently in production. We have an example to show our industry – and ourselves – how enriched cages can work. So if you want to know what the egg industry will look like if S. 3239 passes, you can watch our webcam at www.jswest.com, which lets anyone with access to the Internet look at our hens live and in real time.

The enriched colony system is not an experiment. These enclosures are the standard for caged egg production in the European Union. We are not making this up as we go along. However, not many of these systems are in place in the United States yet. So you might be interested in some of our results.

But first, what is an enriched colony system? It is larger than the conventional cage – in our case, each colony contains 60 hens, and is “enriched” because each colony is furnished with a nest box, perches and scratch areas. Hens can express more of their natural behaviors. Of course, there is almost twice as much space per animal as in conventional cages.

Our results in this system have been encouraging. Hen mortality is lower – meaning that the small portion of each flock that dies during the production cycle is lower than other systems. Our egg production is somewhat better than in the conventional system. Hen feed consumption is a little greater, but we think this is because of higher activity levels and the use of feed in the scratch areas. The birds definitely use the enrichments.

S. 3239 wisely provides for a multi-year phase-in of enriched systems. There are undoubtedly incremental capital investment costs associated with moving to the new system. Having said that, manufacturers tell us that already, about 80% of new equipment being purchased is capable of conversion to enriched colony. That means that S. 3239 will not necessarily require most producers to make capital investments that they are not already planning to make, albeit at a somewhat higher level than before.

When you consider the cost of any investment you always consider what the returns will be, and what the alternatives are. If you think you can maintain the current conventional-cage system forever, there is a cost to enriched cages. But in California, we are pretty sure that is not the case. The future is not conventional cages. If we cannot gain a consensus in favor of the enriched colony system at densities that society agrees is acceptable, the future will lie with those egg producers with the highest density of hens per square foot and the cheapest possible approach to animal welfare in the state where no rules exist and no concern is given to society's standards on hen welfare.

By the way, in that vein, I urge you to examine the House version of the farm bill. There is an amendment which encourages the opposite approach to a national standard. If JS West has to produce to a certain safety or welfare standard, and everyone else in the country can sell at a lower standard in our market, this will constitute an economic death

sentence for us and similarly situated producers in Michigan, Oregon, Washington, Ohio, Arizona, and other states where there are such standards.

I am not here to criticize any particular production system or density level, but I am convinced that this colony system, and standards that support it, are the best compromise for the future of our industry. This system has higher production efficiency and better animal welfare than cage free or free range systems, and reflects the best minimum welfare standard for egg production going forward.

Our industry and I may disagree with the Humane Society of the United States in many areas, especially with certain tactics they endorse. I must say that I salute them for their willingness to be open to compromise on this issue. In supporting this legislation, HSUS recognizes that you can improve animal welfare within the context of an economically-sustainable cage production system, if it is designed right. And HSUS also recognizes that only a single, uniform national standard will allow producers in all states to compete fairly, and provide a sustainable future for their families.

What does make sense is a national production standard that is fair to everybody – that treats everyone the same and that reflects our country's ideas of fairness and humanity. That is what is required here. That is what S. 3239 provides. We urge you to support it.

Timed 6:00

**Testimony of
Greg Herbruck
Herbruck's Poultry Ranch
Before the
Committee on Agriculture, Nutrition, and Forestry
United States Senate
July 26, 2012**

Thank you for the opportunity to testify today. My name is Greg Herbruck, and my two brothers and I own and manage our egg business in Michigan. Four generations of our family have been in the egg business, and we struggle with the same challenges as all other egg farmers and other livestock and poultry producers.

For example, more than half of the cost of producing eggs is feed, and in the current drought, we have seen our costs go through the roof. As projected yields have fallen over much of the nation, grain prices have soared. The vast majority of our feed cost is corn and soybean meal. And yet in some ways, the situation I will describe to you today is even more serious for us than the drought.

Over the years we have always tried to meet the needs of our customers. For example, we are part of the growing organic egg industry, and we partner with 28 other farms, many of them very small-scale, to supply a wide range of eggs through different production systems.

We also produce conventional eggs, where laying hens are kept in cages. There were good reasons our industry moved to this production system many decades ago – animal health, protection from predators, economic efficiency. But we have to acknowledge that in the last few years, keeping hens in cages has become extremely controversial.

As producers, we felt we had science on our side, having implemented the welfare recommendations of an independent scientific advisory committee. However, we have learned that consumers – and voters – don't make their decisions based simply on science. Most are several generations removed from the farm, and whether you call it values or emotion, the way they form their views of animal welfare issues is not the same as ours. They are our customers, and in any business, if you do not listen to your customers, you are headed for trouble.

Egg farmers got a dramatic wake-up call when California voters passed Proposition 2 by a 2-1 margin in 2008. This ballot initiative made the conventional cage system illegal. Under the threat of similar ballot measures, other states moved to establish their own standards for egg production. Madame Chairwoman, you are aware that our state of

Michigan was one of those. In just a few years, egg farms in Michigan will be required to provide more than twice as much space for each bird as the current industry standard.

The future for our industry, on the current path, is a patchwork of state animal welfare laws that are inconsistent, contradictory and ultimately unworkable. In many if not most cases, these laws will not just affect the producers in a particular state. They are written to apply to all eggs sold in that state, no matter where they are produced. This means that a farmer in Iowa will have to comply with California state standards – because some 30% of all eggs sold in California presently come from Iowa.

This helps you understand why we have a problem. Eggs routinely move across state lines. That is how our business works. Virtually all states are either in surplus – meaning they produce more eggs than their population consumes, like Michigan – or in deficit, consuming more than farms in their state are capable of producing, like New York or South Dakota.

Our farms can't maintain a separate hen house standard for every state where we want to sell eggs. And yet that is pretty much what would be required if the current patchwork of state laws keeps expanding. Even under already-passed laws, Michigan's standard is different from Ohio's, which is different from Washington's, which is different from Oregon's, which is different from California's.

It actually gets worse. We sell to major food-service and grocery customers who may have outlets in all states. It will be an impossible task to keep track of which eggs were produced in which states, to meet all the different standards of every state where they have a store or restaurant. You can see that we are on the road to chaos.

Someone might say, Why not challenge these state restrictions on out-of-state eggs as unconstitutional? I don't know how such court cases would come out. I am pretty confident they would take years, cost millions of dollars in lawyers' fees, and get resolved only after a good number of farms had gone out of business.

Unfortunately, the private sector alone can't solve this problem. No matter what we as producers do voluntarily, we can't avoid the threat of future ballot initiatives – and 24 states have them – so we are at the mercy of the next activist group that wants to mandate cage-free production in our state.

We are convinced that the only solution to this problem is a national production standard, as contained in Sen. Feinstein's bill S. 3239. This bill is the best solution for hen welfare, food safety and consumer choice. It is essential to the Michigan egg industry that this legislation be passed as quickly as possible to keep us in business. We strongly urge this committee to support S. 3239.

Thank you.

Timed at 4:30

**Statement of
David Lathem
Lathem Farms
Before the
Committee on Agriculture, Nutrition, and Forestry
United States Senate
July 26, 2012**

My name is David Lathem. I am an egg farmer from Pendergrass, Georgia, and I am chairman of United Egg Producers. UEP represents farmers who market approximately 90% of all eggs sold in the United States. I am pleased that in the hearing room and the overflow room, we have egg producers who have come to Washington for this hearing and manage almost half of the nation's laying hens. UEP strongly supports S. 3239 and we appreciate the committee calling this hearing.

Speaking personally, I believe that the long-term viability of my family farm is in jeopardy without S. 3239. Our farm is not among the very largest. We cannot set up different production systems to meet the conflicting and inconsistent standards of every state. We need a production standard that is the same for everyone, and fair for everyone.

S. 3239 allows us to plan for our future. It lets us as producers take charge of our own destiny. This bill has the overwhelming support of our industry – not unanimous, because nothing important is ever unanimous, but overwhelming.

We as producers realize that we are living in the 21st century when the American public is interested, as never before, in where its food comes from and how it is produced. We should see this as an opportunity rather than a threat.

UEP believes that S. 3239 represents a sustainable future for all of us. But we are not the only ones. This bill has scientific support from the American Veterinary Medical Association and other professional societies. It has the support of the Consumer Federation of America and the National Consumers League. Egg producer groups at the state level have come out in support. From the Rocky Mountain Farmers Union to the United Farm Workers, this bill has wide support.

However, some do oppose it. I would like to engage their arguments seriously and explain why we disagree.

Some simply attack the Humane Society of the United States. They say you can't trust HSUS.

It's no secret that our organization and HSUS have been adversaries. We've disagreed and fought on animal welfare issues for years.

But once we started to explore whether there might be common ground, they realized we did care about the welfare of our hens. We realized they did care about the survival of family farms.

And so we began to do what everyone says you should do: look for common ground; seek compromise; try to find solutions.

So the main complaint some people have against us is that the egg industry looked for common ground. We plead guilty to that charge.

Opponents of S. 3239 also assert that this bill represents a slippery slope-- a precedent that will inevitably force other animal industries into similar settlements.

This is not true. There are two basic reasons why.

First, we are all here because we as producers want this agreement. With all due respect to HSUS, if they were for the agreement and we were against it, I do not think you would be having this hearing. If other livestock sectors do not want a legislative settlement with HSUS, it isn't going to happen.

The slippery-slope argument says that if you approve this bill for eggs, you will inevitably follow up with similar laws for pork or beef. This assumes you as legislators are incapable of making distinctions between commodities.

The problem with this argument is that it is completely at odds with what Congress has actually done over the years. You have, in fact, always looked at each commodity separately. You do not, for example, legislate the same program for cotton as you do for peanuts. Dairy is an animal product that has price supports, but you have never seriously considered price supports for beef, pork or eggs.

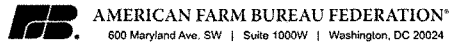
Eggs have always been regulated differently from other animal products. The Food and Drug Administration has on-farm food safety inspection authority for our farms, but not for beef, pork or turkey operations. USDA has civil penalty authority for eggs, but not for other livestock species. By contrast, USDA's Packers & Stockyards Act applies to beef, pork and broilers, but not to eggs.

The slippery-slope argument ignores this clear history and replaces it with hypothetical fears. The reality is that Congress and federal agencies have always made distinctions among commodities. I hope you will forcefully reject this argument.

Madam Chairwoman, I genuinely believe that the survival of my farm and other egg farms are hanging in the balance, and we need S. 3239 in order to provide a fair operating environment for all American egg farms. I strongly urge this committee to advance the legislation, and I thank you for letting me speak to you.

DOCUMENTS SUBMITTED FOR THE RECORD

JULY 26, 2012



ph. 202.406.3600
f. 202.406.3606
www.fb.org

July 26, 2012

The Honorable Pat Roberts
United States Senate
109 Hart Senate Office Building
Washington, DC 20510

Dear Sen. Roberts:

The American Farm Bureau Federation strongly opposes S. 3239, the *Egg Products Inspection Act Amendments of 2012*, legislation which would replace decades of science-based animal care practices with a strict mandate for on-farm egg production. While the bill specifically amends the Egg Products Inspection Act, it represents a precedent for government intrusion on all livestock and poultry farms across the country.

As the people who work with farm animals daily, the top priority of America's farm and ranch families is to raise healthy animals, which results in healthy food for our nation. Science has provided improved animal care standards, techniques and tools over the past several decades, and farmers and ranchers have steadily adopted these improvements to enhance the welfare of their animals and the economic viability of their operations.

Our food supply is too important for scientifically proven production standards to be outlawed on any basis. S. 3239, supported by the Humane Society of the United States (HSUS), charts a dangerous course by arbitrarily banning a number of proven, science-based, egg production methods. The legislation ignores the range of science-based housing standards researched and successfully implemented by agricultural veterinarians, animal scientists and livestock producers, all of which result in equally acceptable animal welfare compared to the enriched colony housing prescribed in S. 3239. The care standards mandated in the bill are based largely on the political goals of an animal rights group that seeks to eventually eliminate animal agriculture. This approach to animal care, which relies on politics rather than the expertise of veterinarians and animal scientists collaborating with farmers, ranchers and other livestock producers, is simply unjustified.

Farm Bureau members have a proven track record of consistently working to improve animal care – their livelihood depends on it. Heavy-handed government mandates based primarily on a political agenda will not improve animal welfare but will impose significant hardship on the hard-working families who provide our nation with wholesome foods from humanely-raised livestock. For these reasons, Farm Bureau urges you to oppose S. 3239.

Thank you for your consideration of our members' commitment to the mutually paramount goals of science-based animal care methods and a safe, abundant and affordable food supply.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bob Stallman'.

Bob Stallman
President

The Honorable Debbie Stabenow
Chairwoman
United States Senate
Washington, DC 20510

The Honorable Pat Roberts
Ranking Member
United States Senate
Washington, DC 20510

June 18, 2012

Re: Joint Letter Requesting Non-support for S. 3239

Dear Chairwoman and Ranking Member:

The undersigned organizations ask you to **not** support S. 3239, the Egg Products Inspection Act Amendments of 2012. These organizations represent the majority of veterinarians who practice food animal veterinary medicine in the United States. Our objection to this legislation arises over concerns that S. 3239 will dictate production practices on farms without latitude for future input from animal scientists, veterinarians, and farmers. It will set a precedent that may prove detrimental for all food animal species. Considering the market-driven changes already occurring, S. 3239 will have little to offer the industry while burdening farmers with higher production costs and no opportunity to improve animal welfare as new science is discovered. Once codified, it will exclude the development and implementation of improvements directed towards animal welfare. A limitation such as this will effectively negate progress and enhancement in the welfare of laying hens as new science becomes available. It very well may suppress the funding and implementation of research into the welfare of laying hens since it will be difficult to change production practices that are mandated by federal law. Once again, we do not believe federal legislation of specific farm practices is a wise method for promoting the goals of improving animal welfare and agriculture.

U.S. consumers enjoy the safest, most wholesome and least expensive food in the world. The adoption of new technology resulting from ongoing research into animal agriculture has enabled food animal veterinarians, farmers and ranchers to improve animal health and welfare while ensuring public health and food safety. The livestock industries, in collaboration with veterinarians, animal scientists, researchers and welfare experts, are constantly revising industry standards to improve animal welfare based on current research and emerging technology. Codifying these standards in federal regulation will effectively hamper the ability of the animal agriculture industry in its effort to enhance animal welfare. We urge you to promote the efforts of America's farmers, ranchers and food animal veterinarians by refusing to support S. 3239.

Sincerely,

National Veterinary Organizations

Academy of Veterinary Consultants
American Association of Bovine Practitioners
American Association of Small Ruminant Practitioners
American Association of Swine Veterinarians

CC: Members of the United States Senate

June 18, 2012

The Honorable Debbie Stabenow
Chairwoman
Senate Committee on Agriculture, Nutrition
and Forestry
U.S. Senate
Senate Hart 133
Washington, DC 20510

The Honorable Pat Roberts
Ranking Member
Senate Committee on Agriculture, Nutrition
and Forestry
U.S. Senate
Senate Hart 109
Washington, DC 20510

Dear Chairwoman Stabenow and Ranking Member Roberts,

Congress has a lot to consider during debate on the 2012 Farm Bill. These considerations include everything from expanding crop insurance subsidies to major changes in the food stamp program. So it shouldn't waste time on unnecessary, unvetted amendments.

A case in point is S. 3239/H.R. 3798 the "Egg Products Inspection Act Amendments," which may be offered as an amendment to the 2012 Farm Bill. This measure writes into federal law an agreement between animal rights advocates and egg producers that requires the cages used for laying hens to nearly double in size.

If egg producers want to agree with animal rights advocates on standards for hen housing, that's their business. However, codifying such an agreement in law, as this legislation does, sets a dangerous precedent for allowing the federal government to dictate everything that happens on farms. Ultimately, it could affect every corner of agriculture, interfering with the livelihoods of family farmers from coast to coast.

At a minimum, the "Egg Products Inspection Act Amendments" needs full consideration at the committee level. Such broad and potentially costly legislation should not be brought to the floor without extensive testimony on its ramifications from all concerned.

Please oppose any attempts to take up this legislation during the farm bill debate.

Sincerely,

Alabama Cattlemen's Association
American Farm Bureau Federation
American National CattleWomen
American Sheep Industry Association
Arizona Cattle Feeders Association
Arizona Cattle Growers' Association
Arizona Pork Council
Arkansas Cattlemen's Association
Arkansas Pork Producers Association

California Cattlemen's Association
California Pork Producers Association
Colorado Cattlemen's Association
Colorado Wool Growers Association
Egg Farmers of America
Florida Cattlemen's Association
Georgia Agribusiness Council
Georgia Cattlemen's Association
Georgia Pork Producers Association

Hawaii Cattlemen's Council	New York Pork Producers Cooperative, Inc.
Illinois Beef Association	North Carolina Cattlemen's Association
Illinois Milk Producers Association	North Carolina Pork Council, Inc.
Illinois Pork Producers Association	North Dakota Pork Producers Council
Independent Cattlemen's Association of Texas	North Dakota Stockmen's Association
Indiana Beef Cattle Association	Ohio Cattlemen's Association
Indiana Pork	Ohio Pork Producers Council
Indiana Sheep Association	Oklahoma Cattlemen's Association
Iowa Cattlemen's Association	Oklahoma Pork Council
Iowa Sheep Industry Association	Oregon Cattlemen's Association
Iowa Turkey Federation	Pennsylvania Cattlemen's Association
Kansas Livestock Association	Pennsylvania Sheep and Wool Growers Association
Kansas Pork Association	South Carolina Cattlemen's Association
Kentucky Cattlemen's Association	South Carolina Pork Board
Kentucky Pork Producers Association	South Dakota Cattlemen's Association
Livestock Marketing Association	South Dakota Pork Producers Council
Maryland Pork Producers Association	Southeastern Livestock Network
Maryland Sheep Breeders Association	Tennessee Cattlemen's Association
Michigan Cattlemen's Association	Tennessee Pork Producers Association
Michigan Pork Producers Association	Texas and Southwestern Cattle Raisers Association
Michigan Sheep Breeders Association	Texas Cattle Feeders Association
Minnesota Pork Producers Association	Texas Pork Producers Association, Inc.
Minnesota State Cattlemen's Association	Texas Sheep & Goat Raisers Association
Mississippi Cattlemen's Association	United Dairymen of Arizona
Missouri Cattlemen's Association	Utah Cattlemen's Association
Missouri Pork Producers Association	Utah Pork Producers
Montana Pork Producers Council	Virginia Cattlemen's Association
Montana Stockgrowers Association	Virginia Pork Industry Association
Montana Wool Growers Association	Washington Cattle Feeders Association
National Cattlemen's Beef Association	Washington Cattlemen's Association
National Milk Producers Federation	Washington Pork Producers
National Pork Producers Council	West Virginia Cattlemen's Association
National Turkey Federation	Wisconsin Cattlemen's Association
Nebraska Cattlemen's Association	Wisconsin Pork Producers Association
Nebraska Pork Producers Association, Inc.	Wyoming Pork Producers Association
Nevada Cattlemen's Association	Wyoming Stock Growers Association
New Hampshire Pork Producers Council	
New Mexico Cattle Growers' Association	
New Mexico Wool Growers, Inc.	

The following have endorsed S. 3239/H.R. 3798, the Egg Products Inspection Act Amendments of 2012

Agriculture and Egg Producer Groups:

United Egg Producers
 Arkansas Egg Council
 Association of California Egg Farmers
 Colorado Egg Producers Association
 Florida Poultry Federation, Inc.
 Georgia Egg Association
 Indiana State Poultry Association
 Michigan Agri-Business Association
 Michigan Allied Poultry Industries
 New England Brown Egg Council
 North Carolina Egg Association
 Ohio Egg Processors Association
 Rocky Mountain Farmers Union
 United Farm Workers

Veterinary Groups:
 American Association of Avian Pathologists
 Association of Avian Veterinarians
 American Veterinary Medical Association
 Humane Society Veterinary Medical Association

Consumer Groups:

Center for Food Safety
 Center for Science in the Public Interest
 Consumer Federation of America
 National Consumers League
 STOP Foodborne Illness

Animal Protection Groups:

The Humane Society of the United States
 American Society for the Prevention of Cruelty to Animals (ASPCA)
 American Humane Association
 Animal Legal Defense Fund
 Compassion in World Farming

Compassion Over Killing
 Farm Sanctuary
 Food Animal Concerns Trust
 The Humane League
 Humane Society Legislative Fund
 In Defense of Animals
 Mercy for Animals
 National Federation of Humane Societies
 World Society for the Protection of Animals

Newspaper Endorsements:

Albany (Ore.) Democrat Herald
 Arizona Republic
 Chicago Tribune
 Clarksville (Tenn.) Leaf Chronicle
 Des Moines Register
 Everett Herald (Wash.)
 Fredericksburg (Va.) Free Lance-Star
 Green Bay (Wisc.) Press Gazette
 Harrisburg (Pa.) Patriot-News
 Iowa City Press-Citizen
 Kansas City Star
 Los Angeles Times
 Merced (Calif.) Sun-Star
 Modesto (Calif.) Bee
 Newsday
 News Tribune (Tacoma, Wash.)
 New York Times
 Olympian (Wash.)
 Oregonian
 Philadelphia Inquirer
 Richmond Times-Dispatch (Va.)
 Sacramento Bee (Calif.)
 San Diego (Calif.) Union-Tribune
 Santa Rosa (Calif.) Press Democrat
 Statesman Journal (Salem, Ore.)
 USA Today

Animal Scientists:

Dr. Jeff Armstrong – California Polytechnic State University)
 Dr. Bernard Rollin – (Colorado State University)

Food Services

Bon Appetit

Religious Groups

Presbyterian Church (U.S.A)
 Office of Public Witness

Egg Farmers:

Alabama:

Dixie Egg
 Warren Farms

Arkansas:

Benton County Eggs
 Cal-Maine Foods

Arizona:

Hickman's Egg Ranch

California:

Chino Valley Egg Ranchers of CA.
 Demler Egg Ranch
 Gemperle Enterprises
 Harmony Egg Ranch
 Hickman's Family Farms of CA
 Hidden Villa Ranch
 Pine Hill Egg Ranch
 J.S. West Milling Company
 Valley Fresh Foods
 C.B. Nichols Egg Ranch of CA.

Colorado:

Colorado Egg
 Morning Fresh Farms
 Sparboe Farms

Delaware:

Puglisi Egg Farm of Delaware

Florida:

Cal-Maine Foods
 Dixie Egg
 Hillandale, LLC
 Tampa Farm Service

Georgia:

Cal-Maine Foods
 Country Charm Eggs, LLC
 Dixie Egg
 LC Browns
 L & R Farms
 Latham Farms
 Rose Acre Farms

Idaho:

Ritewood, Inc.

Illinois:

Hy-Grade Egg Producers
 Rose Acre Farms

Indiana:

Creighton Brothers
 Midwest Poultry Services
 Rose Acre Farms
 Wabash Valley Produce

The following have endorsed S. 3239/H.R. 3798, the Egg Products Inspection Act Amendments of 2012

Iowa: Center Fresh Farms Centrum Valley Farms, LLP Daybreak Foods Hawkeye Pride Egg Farm Hillandale – Iowa Sioux County Egg Farm Sparboe Farms	Mississippi: Cal-Maine Foods Rose Acre Farms	Pennsylvania: Century Farms Hillandale – Gettysburg, L.P. Hillside Poultry Farms LeValle Egg Farms Powl Associates	Willamette Egg Farms
Kansas: Cal-Maine Foods	Missouri: Lincoln County Egg Farm Marshall Egg Rose Acre Farms	South Carolina: Cal-Maine Foods	Wisconsin: Daybreak Foods S & R Egg Farm
Kentucky: Cal-Maine Foods	New Jersey: Puglisi Egg Farm	South Dakota: Dakota Layers National Foods Corp.	Local Humane Societies: California: Marin County Humane Society Sacramento SPCA SPCA for Monterey County
Louisiana: Cal-Maine Foods Cal-Maine Foods	New York: Giroux Poultry Farm Kreher's Farm Fresh Eggs, LLC Wayne County Eggs, LLC	Texas: Cal-Maine Foods Feather Crest Farms Maxim Egg Production Mahard Egg Farm	Colorado: Dumb Friends League
Kentucky: Cal-Maine Foods	North Carolina: Braswell Foods GCB Foods, LLC Rose Acre Farms Simpson's Eggs	Utah: Delta Egg Farm Oakdell Egg Farm Rigtrup Egg Farm Ritewood Egg Farm Shepherd & Sons	Idaho: Canyon County Animal Shelter Twin Falls Animal Shelter Panhandle Animal Shelter McPaws Animal Shelter Upper Valley Humane Society Pocatello Animal Shelter Mountain Home Animal Shelter
Louisiana: Cal-Maine Foods	Ohio: Cal-Maine Foods Daybreak Foods Hemmelgarn & Sons Hertzfeld Poultry Farms Midwest Poultry Services Trillium Farm Holdings Weaver Brothers	Virginia: Glenwood Foods	Indiana: Brown County Humane Society
Massachusetts: The Country Hen	Oregon: Willamette Egg Farms Wilcox Farms Valley Fresh Foods R.W. Sauder, Inc. Sperry Farms	Washington: Dyres Farms National Foods Corp. Oakdell Egg Farms Stiebers Farms Valley Fresh Foods Wilcox Farms	Maine: Animal Welfare Society
Michigan: Farm Crest Foods Herbruck's Poultry Ranch Konos, Inc. Sunrise Acre			Michigan: Kalamazoo Humane Society Michigan Humane Society
Minnesota: Forsman Farms Sparboe Farms			Minnesota: Animal Humane Society

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North Carolina: Humane Society of Charlotte	Other Family Farmers:	California: Alpacas La Dee Da (Orland, CA) Angus Acres Eggs (Lemon Grove, CA) Ann's Orchard (Lincoln, CA) Be Wise Ranch (Escondido, CA) Bear River Valley Beef (Ferndale, CA) BeeWench Farm (Paso Robles, CA) Beirichard Farms (Mariposa, CA) BJ's Lavender (Bakersfield, CA) Black Hen Farm (Santa Cruz, CA) Cache Creek Lavender (Rumsey, CA) Camp Joy Gardens (Boulder Creek, CA) Chris's Egg Farm (Corning, CA) Churn Creek Meadow Organic Farm (Redding, CA) Clairmont Farms (Los Olivos, CA) Classic Organic Farm (Gaviota, CA) Coke Farm (San Juan Bautista, CA) Cole Canyon Farm (Aromas, CA) Cow Track Ranch (Nicasio, CA) Coyote Canyon Farm (Morgan Hill, CA) Crazy Flower Farms (Carmers, CA) Crimson Sage Nursery (Orleans, CA) Del Rio Botanical (West Sacramento, CA) Devil's Gulch Ranch (Nicasio, CA) Devoto Vineyards (Kelseyville, CA) Driftwood Farm (Fort Bragg, CA) Fairview Gardens (Goleta, CA) Flying Disc Ranch (Thermal, CA) Fogline Farm (Soquel, CA) Haag Farm Walnuts (Esparto, CA) Hanuri Farm (Phelan, CA) Harmony Lavender (Atascadero, CA) Hicksville Acres (Newcastle, CA) Hurley Farms (Napa, CA) Katz Farm (Napa, CA) KMK Farms (Kingsburg, CA) Lagler Ranches (Escalon, CA) LaRocca Vineyards (Forest Ranch, CA)
Ohio: SPCA Cincinnati	Alabama: Barber Berry Farm (Millbrook, AL) Forever Sunrise Organics (Piedmont, AL) The Gathering Place (Jacksonville, AL) Gaucho Farms (Slocomb, AL) Geezer's Garden (Gurley, AL) Gypsy Ranch (Altoona, AL) Lasseter Orchards (Remlap, AL) Little Shangrila Sanctuary and Farm (Trussville, AL) The Lovely Janet (Ashland, AL) Moore Farms (Woodland, AL) Nature's Way Farm (Boaz, AL) R&D Farms (Gurley, AL) Randle Farms (Auburn, AL) Rockin' N Farms (Pyrite, AL) Sneaky Crow Farm (Roanoke, AL) Sweet Seasons Farm (Valley Head, AL) Working Cows Dairy (Slocomb, AL)	
Oregon: Oregon Humane Society		
Pennsylvania: Humane Society of Berks County Pennsylvania SPCA		
Texas: SPCA of Texas		
Utah: Humane Society of Utah		
Washington: Progressive Animal Welfare Society Tacoma-Pierce County Humane Society	Alaska: Calypso Farm and Ecology Center (Fairbanks, AK)	
Washington, D.C.: Washington Humane Society	Arizona: Avalon Gardens (Tubac, AZ) EnviroFarm Ranch (San Tan Valley, AZ) Farmyard (Phoenix, AZ) McClendon's Select (Peoria, AZ) Pinnacle Farms (Phoenix, AZ)	
Virginia: Richmond SPCA Animal Welfare League of Arlington		
Vermont: Good Karma Rescue Vermont Companion Animal Neutering Clinic Rutland County Humane Society Windham County Humane Society Central Vermont Humane Society Addison County Humane Society	Arkansas: Bedrock Retreat (Winslow, AR) Peace Bee Farm (Proctor, AR) Rose Rustlers Flower Farm (Glenwood, AR) Youngblood Grassfed Farm (Grannis, AR)	

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Lemon Ladies Orchard (Emerald Hills, CA)	Windsore Farm (Paso Robles, CA)
Lindner Bison (Valencia, CA)	Windy Hills Farm (San Diego, CA)
Long Beach Goats (Long Beach, CA)	Winterport Farm (Ione, CA)
Love Farms (Healdsburg, CA)	Yesteryear Poultry and Seed (Mirra Loma, CA)
	Colorado:
Loving Nature Farm (Clarksburg, CA)	Back Country Beef (Cotopaxi, CO)
Lulu's Lavender Farm (Camarillo, CA)	Berry Patch Farms (Brighton, CO)
Machado Farms (Sun City, CA)	Buckhorn Gardens (Montrose, CO)
McGrath family Farm (Camarillo, CA)	Cherry Creek Farm (Colorado Springs, CO)
Morning Song Farm (Rainbow, CA)	Cottonwood Creek Farms (Merino, CO)
Oak Hill Farm of Sonoma (Glen Ellen, CA)	Cresset Farm (Johnstown, CO)
Old House Farm (Scotts Valley, CA)	Ferrara's Happy Apple Farm (Penrose, CO)
Organic Pastures Dairy (Fresno, CA)	Garden Sweet Organic Farms (Fort Collins, CO)
Orow Orchard (Granite Bay, CA)	Grant Family Farms (Wellington, CO)
Paradise Grove Nvocados (Ventura, CA)	Green Peace Corps (Colorado Springs, CO)
Pleasant's Valley Iris Farm (Vacaville, CA)	High Altitude Rhubarb Organic Farm & Nursery (Black Forest, CO)
Plum Blossom Farm (Cloverdale, CA)	High Spice Alpacas (Cripple Creek, CO)
Pozo Nuevo Farm (Half Moon Bay, CA)	Home Again Farms (Elizabeth, CO)
Pozo Organic Farm (Santa Margarita, CA)	Indian Ridge Farm (Norwood, CO)
Primeval Gardens (Potrero, CA)	Isabelle Farm (LaFayette, CO)
Redwood Hill Farm and Creamery (Sebastopol, CA)	Jumpin' Good Goat Dairy (Buena Vista, CO)
Rio Goyo Farm (Ojai, CA)	Jupille Ranch (Montrose, CO)
Royal Bees Company (Carlsbad, CA)	Kinkin Heights Natural Foods (Montrose, CO)
Sanders Field Farm (Sebastopol, CA)	Li'l Bit Farms (Elliptic, CO)
Sartori Farm (Tombales, CA)	Long Shadow Farm (Berthoud, CO)
Sierra Valley Farms (Beckwourth, CA)	Mesa Valley Farms (Wellington, CO)
Singing Frogs Farm (Sebastopol, CA)	Shining Mountain Herbs (Ridgway, CO)
Slide Ranch (Muir Beach, CA)	Sunnerville Farm (Penrose, CO)
Smiths Family Farm (Fresno, CA)	Urbiculture Community Farms LLC (Denver, CO)
Solarmax Farm (Redding, CA)	
Tara Firma Farms (Petaluma, CA)	
Terra Bella Family Farm (Pleasantona, CA)	
The Little Organic Farm (Petaluma, CA)	
Tunitas Creek Organic Eggs (Half Moon Bay, CA)	Connecticut:
Twining Tree Farm (Cottonwood, CA)	Aiki Farms (Ledyard, CT)
Veggieglution Community Farm (San Jose, CA)	Blitta-Blue Farm (Killingworth, CT)
Watkins Cattle (Oak View, CA)	Burgis Brook Alpacas (Canterbury, CT)
Weirauch Farm & Creamery (Petaluma, CA)	Dandelion Gardening Arts (Norfolk, CT)
Wild Blue Farm (Tombales, CA)	Down to Earth CSA (Stafford, CT)
Willow Creek Farms (Willow Creek, CA)	Earth Wind and Fire Farm (Northford, CT)

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Phoenix Farm (Leland, IL)	Rolling Acres Farm (Atlantic, IA)	Stony Woods Farm (Prole, IA)	Table Top Farm (Nevada, IA)	Maine:	Beau Chemin Preservation Farm (Waldoboro, ME)
Plum River Farm (Pearl City, IL)				Blue Hill Berry Co (Penobscot, ME)	Branson Farms (Surry, ME)
Prairie Fruits Farm and Creamery (Champaign, IL)				Chick Farm (Wells, ME)	Darthia Farm (Gouldsboro, ME)
Radical Root Farm (Grayslake, IL)				Kansas:	Fisher Farm (Winterport, ME)
Ready Farm Market (Franklin, IL)				Chestnut Charlie's (Lawrence, KS)	Green Acres Tree Farm (Edgecomb, ME)
Steffens Farm (Albion, IL)				Heritage Acres Farm (Fort Scott, KS)	Hart to Hart Farm (Albion, ME)
Three Rivers Community Farm (Elsah, IL)				Hilltop Farms (Perry, KS)	Long Meadow Farm (West Gardiner, ME)
Trail's End Organic Farm (Putnam, IL)				Mellowfields Urban Farm (Lawrence, KS)	Medicine Hill (Starks, ME)
Zanjabil Gardens (Pembroke Township, IL)				Prairie Lavender Farm (Bennington, KS)	New Beat Farm (Knox, ME)
				Pure Prairie Organic Farm (Norton, KS)	Peace & Plenty Farm (Phillips, ME)
Indiana:				Rockyfield Farm (Overbrook, KS)	Peace Fleece (Porter, ME)
Aris Farm (Clinton, IN)				Scream Oats Farm (Tonganoxie, Kansas)	Sebago Lake Ranch (Gorham, ME)
Backyard Berry Plants (Nashville, IN)				Spring Creek Farm (Baldwin City, KS)	Stonecipher Farm (Bowdoinham, ME)
Big City Farms (Indianapolis, IN)				Sunflower Meadow Farm (Augusta, KS)	Summit Springs Farm (Poland, ME)
The Blueberry Ranch (Mishawaka, IN)				Turkey Foot Ranch (Winfield, KS)	Trewoy Family Orchards (Levant, ME)
Brambleberry Farm (Paoli, IN)				Windwalker Farm (Ottowa, KS)	Two Coves Farm (Harpeswell, ME)
Ceres & Co (Walkerton, IN)				Kentucky:	Two Toad Farm (Lebanon, ME)
The Chile Woman (Bloomington, IN)				Blue Moon Farm (Richmond, KY)	
Clay Bottom Farm (Goshen, IN)				Brookview Farm Beef (Winchester, KY)	Maryland:
CT Coop (Fortville, IN)				Bugtussle Farm (Gallatin, KY)	Callopie Farm (Salisbury, MD)
Emerald Isle Organic Farm (Atlanta, IN)				Carter's Place Farm (Barbourville, KY)	Galena Blooms Farm (Galena, MD)
Fields of Agape (Carthage, IN)				DreamCatcher Farm (Taylorsville, KY)	Good Life Farm (Germantown, MD)
Homestead Heritage (Kokomo, IN)				Field 51 Produce (Goshen, KY)	Glen Mary Farm (Park Hall, MD)
Mayfinn Farm (Pekin, IN)				Foxhollow Farm Grass Fed Beef (Crestwood, KY)	Gorman Farm (Laurel, MD)
Rise Up Farms (Elkhart, IN)				Good Life Ranch (Liberty, KY)	Green Akeys Family Farm (Westminster, MD)
Sanctuary Farm (Saint Joe, IN)				Hell Cat Farm (Barbourville, Kentucky)	Jug Bay Market Garden (Upper Marlboro, MD)
Swanee Orchards (Terre Haute, IN)				Spring Hollow Farms (Greensburg, KY)	Julstep Farms (White Hall, MD)
White Violet Center for Eco-Justice (Saint-Mary-of-the-Woods, IN)				Louisiana:	Maryland Sunrise Farm (Gambrells, MD)
				Briarhill Farms (Ruston, LA)	Orchard Creek Farm (Upper Marlboro, MD)
Iowa:				Edible City Gardens (New Orleans, LA)	Priapi Gardens (Cecilton, MD)
Deal's Orchard (Jefferson, IA)				Isa's Organic Farm (Plaquemine, LA)	Rocklands Farm (Poolesville, MD)
Echolletive Farm & CSA (Mechanicsville, IA)				Slice of Heaven Farm (Folsom, LA)	Rousdale Farm (Fallston, MD)
Given Gardens (Decorah, IA)				Watershed Farm of Bayou Chicot (Ville Platte, LA)	Rumbleway Farm (Corowingo, MD)
Good Eetens Produce Farm (Every, IA)					Wagon Wheel Ranch (Mount Airy, MD)
Iowa State University Student Organic Farm (Ames, IA)					Whitmore Farm (Emmitsburg, MD)
Miss Effie's Country Flowers (Donahue, IA)					
Rapid Creek Ranch (Oxford, IA)					

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Massachusetts:

Bird of the Hand Farm (Sterling, MA)
 Christian Hill Farm (Barre, MA)
 Coyote Hill Farm (Bernardston, MA)
 Great Rock Alpaca's (Barre, MA)
 Heaven's Harvest Farm (New Braintree, MA)
 High Meadow Farm (Hubbardston, MA)
 Holly Hill Farm (Cohasset, MA)
 K&M Farm (North Andover, MA)
 Kinne Brook Farm (Worthington, MA)
 Langwater Farm (North Easton, MA)
 Lindentree Farm (Lincoln, MA)
 Maitland Mountain Farm (Salem, MA)
 New Harmony Farm (West Newbury, MA)
 October Mountain Farm (Becket, MA)
 Pioneer Valley Heritage Grain (Amherst, MA)
 Rosasharn Farm (Rehoboth, MA)
 Sangha Farm (Ashfield, MA)
 Signal Rock Farm (Charlton, MA)
 Square Roots Farm (Clarksburg, MA)
 Sweet Pumpkins Farm Stand (Hubbardston, MA)
 Sweetwater Farm (Petersham, MA)
 Three Maples Market Garden (West Stockbridge, MA)
 Tuckernuck Farm (Cape Cod, MA)
 Weir River Farm (Hingham, MA)
 Wilder Brook Farm (Charlemont, MA)
 Woodbury Shellfish (Cape Cod, MA)

Michigan:

Autumn Acres Dairy Goats (Wavland, MI)
 Big Head Farm (Benton Harbor, MI)
 Bliss Gardens Farm (Cross Village, MI)
 Clare Limerick Alpaca Ranch (Jackson, MI)
 Country Roots Farm (Riley, MI)
 Crane Dance Farm (Middleville, MI)
 Dirt Song (Cloverdale, MI)
 Earthkeeper Farm (Kent City, MI)

Minnesota:

EarthWinn Farms (Beaverton, Michigan)
 East River Organic (Snover, MI)
 Eaters' Guild Farm (Bangor, MI)
 Eby's City Farm (Jackson, MI)
 Egypt Valley Angus (Cannonsburg, MI)
 Evergreen Lane Farm and Creamery (Fennville, MI)
 Frog Holler Organic Farm (Brooklyn, MI)
 Garden of Ethan (Ada, MI)
 Grassfields Cheese (Coopersville, MI)
 Guindon Farms (Cornell, MI)
 Hand Sown Farm (Canton, MI)
 Hawk Farms (Canton, MI)
 Irish Whisper Farm (Fowlerville, MI)
 Herbs of Light Medicine Farm (Ann Arbor, MI)
 Iron Oak Farms (Clarkston, MI)
 J-Land Farm (Unionville, MI)
 Light of Day Organics (Traverse City, MI)
 Lilac Lane Farm (Eaton Rapids, MI)
 Living Stones Farm (Ann Arbor, MI)
 Maggie's Farm CSA (Pickney, MI)
 Markey Creations LLC (Flint, MI)
 McAtee Organic Farms (Jackson, MI)
 Mirror Lake Organics (Imlay City, MI)
 Moonlight Mile Herb Farm (Willis, MI)
 North Wind Gardens (Harbor Springs, MI)
 Pastured Pork Farms (Scottville, MI)
 Porrett Homestead TLC Farm (Cascio, MI)
 Providence Farm (Central Lake, MI)
 Rocky Gardens (Davisburg, MI)
 Rocky Top Farms (Ellsworth, MI)
 Six S Dairy (Sand Lake, MI)
 Stone Co-op Farm (Brighton, MI)
 Sunseed Farm (Ann Arbor, MI)
 Swartz Organics (North Branch, MI)
 Trillium Haven Farm (Jenison, MI)
 Triple Diamonds Alpaca Ranch (Howell MI)
 Wildcrafted (Burt, MI)
 Wildwood Family Farms (Alto, MI)
 Wishing Well Farm (Gaines, MI)

The following have endorsed S. 3239/H.R. 3798, the Egg Products Inspection Act Amendments of 2012

Two Pony Gardens (Long Lake, MN)	Brock Creek Ranch (Garrison, MT)	Rivney Ranch (Las Vegas, NV)
Wacholz Farm (Hayward, MN)	Cloud Nine Farm (Wilsall, MT)	Salisha's Delicious (Fallon, NV)
Will Heal Farm (Cedar, MN)	Crazy Woman Farm (Clyde Park, MT)	
The Winona Farm (Winona, MN)	Fat Robin Orchard & Farm (Polson, MT)	
	Ferry Creek Ranch Montana Grasslands Beef (Livingston, MT)	New Hampshire:
Mississippi:	Foothill Farm (St. Ignatius, MT)	Apple Annie (Brentwood, NH)
Live Oaks Farm (Pass Christian, MS)	Fridley Creek Farm (Emigrant, MT)	Aussie's Edge Farm (Francestown, NH)
Pearl River Blues Berry Farm (Lumberton, MS)	Grass Fed Beef (Terry, MT)	Breakwind Farm (W. Hopkinton, NH)
Zion Farm (Pontotoc, MS)	Harlequin Produce (Arlee, MT)	Charmingfare Farm (Candia, NH)
	Jill's Garden (Victor, MT)	The Community School Farm (South Tamworth, NH)
Missouri:	Kmon Ranch (White Sulphur Springs, MT)	Country Brook Kennels and Farmstand (Rochester, NH)
A Wild Crops Farm (Salem, MO)	Lester Hill Farm (Bloomfield, MT)	Country Critters Farm (Winchester, NH)
Bountiful Acres (Madison, MO)	Meat Montana (McAllister, MT)	Echo Farm (Rumney, NH)
Circle B Ranch (Seymour, MO)	North Frontier Farms (Lewistown, MT)	Evenmore Gardens (Canaan, NH)
EarthDance Farms (Ferguson, MO)	Organic Heaven (Great Falls, MT)	Fertile fields farm (Westmoreland, NH)
The Farm at Kraut Run (Wentzville, MO)	Pine Needle Farm (Kila, MT)	Heath's Highland Organic Farm (Sugar Hill, NH)
Five Ponds Farm (Birch Tree, MO)	Purple Frog Gardens (Whitefish, MT)	Hungry Bear Farm (Wilton, NH)
Green Dirt Farm (Weston, MO)	Swallow Crest Farm (Kalispell, MT)	Ledge Top Farm (Wilton, NH)
Green Thumb Farm (Stockton, MO)	Starvation Flats Boer Goats (Baker, MT)	New Field Farm (Temple, NH)
Happy Hollow Farm (Jamestown, MO)	Ten Lakes Farm (Eureka, MT)	Nexus farm (Sandown, NH)
Heartland Organic World (Cleveland, MO)	Thirteen Mile Farm (Belgrade, MT)	Pork Hill Farm (Ossipee, NH)
Heirloom Acres Seeds (New Bloomfield, MO)	Urban Herbs (Missoula, MT)	The Quacker Factory (Contoocook, NH)
Hoye Brothers Farm (Ste. Genevieve, MO)	Western Montana Grower's Co-op (Arlee, MT)	Warner River Organics (Webster, NH)
Karbaumer Farm (Platte City, MO)	Wholesome Foods (Bridger, MT)	Yellow house farm (Barrington, NH)
Lost Creek Farm (King City, MO)	Wild Echo Bison Ranch (Townsend, MT)	
Luxenhaus Farm (Marthasville, MO)		New Jersey:
Menefee Ranches (Carthage, MO)	Nebraska:	7 th Heaven Farm (Tabernacle, NJ)
Old Homestead Farm (Washington, MO)	Double L Farm (Elsie, NE)	The Alhambra Organic Farm (Atco, NJ)
RP Cattle (Powell, MO)	Fulton Farms (Litchfield, NE)	Artemis Farm (Southampton Township, NJ)
Shine Hollow Ranch (Powell, MO)	Harvest Home Farm (Waverly, NE)	Beechtree Farm (Hopewell, NJ)
Wells Family Farms (King City, MO)	Myrrhwood Farm (Clarkson, NE)	Dana Ray Farm (Branchville, NJ)
Wind Ridge Farm (New Melle, MO)	North Star Neighbors (Fullerton, NE)	The Jennings Farm (Medford, NJ)
Wolf Creek Family Farm (Peculiar, MO)	Pooley's Pumpkin Patch (Bennington, NE)	Neptune Farm (Salem, NJ)
	Woody Creek Lavender Farm (Ceresco, NE)	Regina's Certified Organic Vegetable Farm (Howell, NJ)
Montana:		Richfield Farms (Clifton, NJ)
Analthia Organic Dairy (Belgrade, MT)	Nevada:	Savoie Organic Farm (Williamstown, NJ)
A-T Ranch (Belt, MT)	The Old 1862 Ranch (Bordertown, NV)	Shangri La Farm (Howell, NJ)
Bee Happy Honey Farm (Hamilton, MT)	Reno Egg (Reno, NV)	Three Pines Farm (Jackson, NJ)
Boja Farm (Bridger, MT)		

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New Mexico:

Caprock Farms (Logan, NM)
 Countryside Organic Goat Cheese (Pie Town, NM)
 East Mountain Organic Farms (Tijeras, NM)
 Flying H Ranch (Rowe, NM)
 Frost Hill Organics (Edgewood, NM)
 Heidi's Raspberry Farm (Corrales, NM)
 Mer-Girl Gardens (Alcalde, NM)
 Morning Star Farm (Arroyo Seco, NM)
 Rio Grande Community Farm (Albuquerque, NM)
 Romero Farms (Dixon, NM)
 Spahn & Friends Bison Ranch (Raton, NM)
 Sunstone Herb Farm (Albuquerque NM)
 Von Bock Farm (Abiquiu, NM)
 Westfarthing Farm (Edgewood, NM)

New York:

Anndel Farms (Middleville, NY)
 Arcadian Pastures (Sloansville, NY)
 Baldwin Hill Farms (Rushford, NY)
 Barlow's Mill (Fredonia, NY)
 Bashakill Vineyards (Wurtsboro, NY)
 Betty's Funny Farm (Minerva, NY)
 Big Red's Chicken Shed (Palmyra, NY)
 Big Woods Apiary (Greenville, NY)
 Bowman & Hill Micro Farm (Kent, NY)
 Cagney's Way Alpacas (Bangall, NY)
 Catapano Dairy Farm (Peconic, NY)
 Cherry Knoll Farm (Marathon, NY)
 Church Street Produce (Burdett, NY)
 Cowberry Crossing Farm (Claverack, NY)
 Creekside Acres Farm (Pleasant Valley, NY)
 Crown Heights CSA (Brooklyn, NY)
 Daring Drake Farm (Interlaken, NY)
 Edna and Josey Farms (Hyde Park, NY)
 Et Cetera Farm (Ghent, NY)
 The Farm (Ilion, NY)
 Finger Lakes Dexter Creamery (King Ferry, NY)
 Fishkill Farms (East Fishkill, NY)

Flavor Farm (Cambria, NY)

Fog and Thistle Farm (Germantown, NY)
 Fraser's Garlic Farm (Churchville, NY)
 Frantzen's Scenic Acres (Berne, NY)
 Full Field Farm (North Chatham, NY)
 Gansvoort Farm (Germantown, NY)
 Grains Alive (Van Etten, NY)
 Grindstone Farm (Pulaski, NY)
 Growing Wild (Canastota, NY)
 Hamilton College Community Farm (Clinton, NY)
 Healing Spirits Herb Farm (Avoca, NY)
 Hearty Half Hectare (Honeoye Falls, NY)
 Hearty Roots Community Farm (Tivoli, NY)
 Herondale Farm (Ancramdale, NY)
 Heydennych Farms (Canajoharie, NY)
 Hickory Field Farm (New Hampton, NY)
 High Lonesome Farm (Cincinnati, NY)
 Hudson Valley Organic Gardens (Wawarsing, NY)
 Huguenot Street Farm (New Paltz, NY)
 Invincible Summer Farms (Southold, NY)
 Keith's Farm (Westtown, NY)
 Kestrel Perch Berries (Ithaca, NY)
 La Basse Cour (South Kortright, NY)
 Lewis Waite Farm (Greenwich, NY)
 Longmeadow Farm (Fonda, NY)
 M&S Farm (Fallisburg, NY)
 Mack Brook Farm (Argyle, NY)
 Magi's Farm (McDonough, NY)
 Morning Fog Farm (Berne, NY)
 Mud Creek Farm (Victor, NY)
 Neversink Farm (Claryville, NY)
 Nine Mile Farm (Delmar, NY)
 Oblong Ridge Farm (Wassauc, NY)
 Organic Matters Farm (Lyons, NY)
 Organics Today Farm (Long Island, NY)
 Our Lady of Victory Farm (Victory, NY)
 Paul Hafner Growers (Baldwinsville, NY)
 Phillips Organic Farm (Stafford, NY)
 Pleasant Valley Farm (Argyle, NY)

Porter Ridge Farm (Hebron, NY)

Red Oak Farm (Stuyvesant, NY)
 Restoration Farm (Old Bethpage, NY)
 Rising Moon, Setting Sun (East Freetown, NY)
 Ross Farms (Goshen, NY)
 Shelterbelt Farm (Caroline, NY)
 Sisters Hill Farm (Stanfordville, NY)
 SW3 Pines Farm (Canandaigua, NY)
 Snithreen Farm (Staatsburg, NY)
 Smoke Ridge Organics (Bloomfield, NY)
 Sprout Creek Farm (Poughkeepsie, NY)
 Temple Farm (Millbrook, NY)
 Earthsong Farm (Westfield, NY)

North Carolina:

Balsam Gardens LLC (Jackson County, NC)
 Blessed Earth Farm (Graham, NC)
 Blue Horizon Farm (Pittsboro, NC)
 Bluebird Farm (Morganton, NC)
 Bluebird Hill Farm (Bennett, NC)
 Byrd Farm (Burlington, NC)
 Cane Creek Farm (Snow Camp, NC)
 Cane Creek Asparagus & Company (Fairview, NC)
 The Darko Urban Farm (Durham, NC)
 Farm to Fork Meat (Raleigh, NC)
 Farmer Mac's Berries (Hampstead, NC)
 Foxfire Holler Farm (Warrensville, NC)
 Frog Holler Organics (Waynesville, NC)
 Gaining Ground Farm (Leicester, NC)
 Genesis Farm (Chapel Hill, NC)
 Grateful Growers Farm (Denver, NC)
 Hartsell Farms (Salisbury, NC)
 Herb Planet (Carrboro, NC)
 Jake's Farm (Candler, NC)
 Mills Garden Herb Farm (Statesville, NC)
 Morningside Farm (Brevard, NC)
 Mountain Valley Brand Beef (Brevard, NC)
 New Moon Herbs Organic Farm (Fairview, NC)
 Oak Moon Farm and Creamery (Bakersville, NC)

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The following have endorsed S. 3239/H.R. 3798, the Egg Products Inspection Act Amendments of 2012

Ostara Farm (Leicester, NC)	Sunny Meadows Flower Farm (Columbus, OH)	Merritt Lavender Farm (Bandon, OR)
Our Chosen Heritage Farm (Pinnacle, NC)	Terraviva Farms (Newark, OH)	MoonRidge Farms (Beavercreek, OR)
Pilgrim Farm (Ellenboro, NC)	Timberlane Organic Farms (Clyde, OH)	Mt Hood Organic Farm (Mount Hood, OR)
Poplin Farms (Abemarle, NC)	Oklahoma:	Newflora (Central Point, OR)
Rooster Hill Farms (Kings Mountain, NC)	American Heritage Family Farm (Ponca City, OK)	Pumpkin Ridge Gardens (North Plains, OR)
Russell Family Beef (Morganton, NC)	Backyard Bounty (Midwest City, OK)	Rudio Creek Ranch (Kimberly, OR)
Sanders Ridge Organic Farm (Boonville, NC)	HoneyBear Ranch (Broken Bow, OK)	Slow Hand Farm (Sauvie Island, OR)
Spence's Farm (Chapel Hill, NC)	The Peppermint Dragon (Sapulpa, OK)	Sojourn Farms (Cave Junction, OR)
Twiddle Dee Farm (Clinton, NC)	Mullins Hill Farm (Claremore, OK)	Springbank Farm (Lebanon, OR)
Whippoorville Farms (Hickory, NC)		Stillpoint Farm (Veneta, OR)
Windcrest Farm (Monroe, NC)	Oregon:	Terra Sono Farm (Madras, OR)
Whisperholler Farm (Arden, NC)	6 Ranch (Enterprise, OR)	Wayward Winds Lavender (Yamhill, OR)
Whitted Bowers Farm (Cedar Grove, NC)	Alpacas at Savanna Creek (Brownsville, OR)	Wealth Underground Farm (Portland, OR)
North Dakota:	Aprovecho (Cottage Grove, OR)	White Oak Farm (Junction City, OR)
Riverbound Farm (Mandan, ND)	Bellavita Farm and Fiber (Tidewater, OR)	Wildwood Farm (Hood River, OR)
Steph's Pastured Eggs (Driscoll, ND)	Blue Basin Beef (Kimberly, OR)	Willow-Witt Ranch (Ashland, OR)
	Buckleberry Farm (Milton-Freewater, OR)	
Ohio:	Camas Swale Farm (Eugene, OR)	Pennsylvania:
B&D Goats (New Richmond, OH)	Cerigoli Gardens (Redland, OR)	Annie's Acres Farm (Effort, PA)
Berger's Green Vista Farm (Wooster, OH)	C'est Naturelle Farms (Oregon City, OR)	Barefoot Organics (Lebanon, PA)
Bit of Earth Farm (Litchfield, OH)	Cody Orchards (Hood River, OR)	Chaos Acres (Laceyville, PA)
Breakneck Acres (Ravenna, OH)	Corvus Landing Farm (Neskowin, OR)	Cranberry Creek Farm (Cresco, PA)
Breezy Hill Farm (Homeworth, OH)	Creature's Farm (Portland, OR)	Dags Wood Farm (Greencastle, PA)
Cantrell Farms (Beaver, OH)	Double Diamond Ranch (Baker City, OR)	Earth Spring Farm (Gardners, PA)
Crazy Horse Garlic Farm (Holland, OH)	Draper Girls' Country Farm (Parkdale, OR)	Farmstead Fresh (Winfield, PA)
Hungry Toad Farm (Centerville, OH)	Fairview Farm Dairy (Dallas, OR)	Fertile Ground CSA (Noxen, PA)
Four Maples Farm (Medina, OH)	Fawnwood Farm (Deer Island, OR)	Flint Hill Farm (Coopersburg, PA)
Fox Hollow Farm (Fredericktown, OH)	Fern Creek Farm (Newberg, OR)	Fresh From the Vines (Meadville, PA)
Green Edge Gardens (Amesville, OH)	Full of Life Farm (St. Paul, OR)	Gib's Farm (Catawissa, PA)
Green Seed Farm (Westerville, OH)	Fungi Farm (Sandy, OR)	Giving Nature Foods (Newtown, PA)
Imaginary Alpaca Ranch (Clyde, OH)	Good Oak Farm (Williams, OR)	Goldfinch Farm (York, PA)
JC Growers (Mechanicsburg, OH)	Harmony Jack Farms (Scio, OR)	Green Heron Farm (Three Springs, PA)
Manchester Hill Farm (Circleville, OH)	Healing Ponds Farm (Buxton, OR)	Greenmoore Gardens (State College, PA)
Ohio Grass-Fed Lamb (Wellington, OH)	Honor Earth Farm (Eugene, OR)	Greensgrow Farm (Philadelphia, PA)
Pauley's Rowdy Acres (Franklin Furnace, OH)	Iron Age Farm (Applegate, OR)	Harmony Hill Gardens (Sellersville, PA)
Poplar Creek Pastured Poultry (Baltimore, OH)	Lonesome Whistle Farm (Eugene, OR)	Harvest Valley Farms (Valencia, PA)
Shari's Berries and Gardens (Hiram, OH)	Lost Creek Farm (Eugene, OR)	Horizon View Farms (Rockwood, PA)
	Milk & Flowers Farm (Portland, OR)	Kistaco Farm (Apollo, PA)
		Klein Farms (Easton, PA)

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Larken Springs Farm (Hellertown, PA)	Tennessee:	Cold Springs Farm (Weatherford, TX)
Laurel Highlands Alpacas (Johnstown, PA)	The Appalachian Shed (Butler, TN)	Cross Roads Ranch (Baird, TX)
Ledamete Grass Farm (Schnecksville, PA)	Avalon Acres Farm (Hohenwald, TN)	Dewberry Hills Farm (Lexington, TX)
Lunaria Farm (Upper Black Eddy, PA)	Bells Bend Neighborhood Farms (Nashville, TN)	Good Earth Organic Farm (Celeste, TX)
Manoff Market Gardens (Solebury, PA)	Blackberry Blossom Farm (Unicoi, TN)	Gulf Breeze Ranch
Moonlight Valley Farm (Aspers, PA)	Bourne Family Farm (Clarksville, TN)	Hairston Creek Farm (Burnet, TX)
Mount Pleasant Herbarry (Forest City, PA)	Clear Springs Farm (Corryton, TN)	The Herb Cottage (Hallettsville, TX)
Overlook Farm (Karns City, PA)	Clover Wreath Farm (Cleveland, TN)	Lazy A Ranch (Belville, TX)
Plowshare Produce (Huntingdon, PA)	Cook's Greenhouses (Greeneville, TN)	Lovejoy Farm (Clifton, TX)
Red Hill Farm (Aston, PA)	Crabtree Farms (Chattanooga, TN)	Mansion Farms (Roanoke, TX)
Rustic Farms (Millville, PA)	Cruze Dairy Farm (Knoxville, TN)	MiaBella Farm (New Caney, TX)
Sakanac CSA (Kimberton, PA)	Doalnar Organic Farm (Dover, TN)	Miller Creek Lavender Farm (Johnson City, TX)
Serenity Valley Farm (Kittanning, PA)	Earthlen Dawn Cooperative (Clinton, TN)	Rab Farm and Ranch (Cedar Lane, TX)
Serious Farms (Selinsgrove, PA)	Farmer Brown's (Smartt, TN)	Skinny Lane Farm (Elgin, TX)
Shared Acres (Clinton, PA)	Fly Creek Farm (Pulaski, TN)	Truth Hill Farm (Farmersville, TX)
Sherlock's Farm (Abbotstown, PA)	Gourmet Pasture Beef (Springfield, TN)	Wild Type Ranch (Cameron, TX)
Spring Creek Farms (Wernersville, PA)	Happy Mountain Farm (Pikeville, TN)	Windy Hill Organics (Comanche, TX)
Spring Hills Farm (Dalton, PA)	HeartSong Triple D Farm (Jefferson City, TN)	Zenubi Creek Farm (Blue Ridge, TX)
Starr Valley Farm (Leechburg, PA)	Jus-Joe's Farm (Adamsville, TN)	
Steam Valley Fiber Farm (Trout Run, PA)	Long Hungry Creek Farm (Red Boiling Springs, TN)	
Strath an De Farm (Waynesburg, PA)	Mamushi Nature Farm (Franklin, TN)	Utah:
Sterling Farm (York, PA)	Music City Alpacas (Antioch, TN)	Bar 10 Beef (St George, UT)
Sweet Meriam's Farm (Selinsgrove, PA)	Purple Maize Farm (Dowelltown, TN)	Happy Trowels Farm (Ogden UT)
Y Knot Alpaca Farm (Germanisville, PA)	Real Food Farms (Brentwood, TN)	Little America Organic Orchard (Little Harmony, UT)
	Red Gates Farm (Dunlap, TN)	Red House Farm (Boulder, UT)
	Rose Creek Village Farms (Selmer, TN)	Spirit Goat (Logan, UT)
	Sage Hill Farms (Petersburg, TN)	True Nature Farm (Boulder, UT)
	Sanders Farm (Eidson, TN)	
Rhode Island:	Tap Root Farm (Franklin, TN)	Vermont:
American Mussel Harvesters (North Kingstown, RI)	Tennessee Valley Farms (Knoxville, TN)	Baum Farm (Caanan, VT)
Big Train Farm (Cranston, RI)	Trew Organic Farms (Ocoee, TN)	Berry Creek Farm (Westfield, VT)
Coggeshall Farm (Bristol, RI)	Wild Things Farm (Crab Orchard, TN)	Blue Meadow Farm (Lincoln VT)
The Good Earth Organic Gardening Center (Hope, RI)	Williams Island Farm (Williams Island, TN)	Bread and Roses Farm (Westford, VT)
The White Cottage Farm (Foster, RI)	Windermere Farms (Memphis, TN)	Champlain Orchards (Shoreham, VT)
	Winged Elm Farm (Philadelphia, TN)	Champlain Valley Apiaries (Middlebury, VT)
South Carolina:	Vintage Quest Acres (Madisonville, TN)	Family Cow Farmstead (Hinesburg, VT)
Bio-Way Farm (Ware Shoals, SC)		Fat Rooster Farm (Royalton, VT)
Carolina Natural Farms (Greer, SC)	Texas:	Four Springs Farm (Royalton, VT)
Caw Caw Creek Farm (Columbia, SC)	Always Grass-Fed Beef (Lexington, TX)	High Ridge Meadows Farm (East Randolph, VT)
Crooked Cedar Farm (Blythewood, SC)		Kind Horn Farm (South Duxbury, VT)
Patient Wait Farms (Piedmont, SC)		
Urbanna Farm (Hampton, SC)		

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Long Wind Farm (Thetford, VT)	Rosewood Hill Farm (Castleton, VA)	The Herbfarm (Woodinville, WA)
MR Harvest Farm (Grand Isle, VT)	Springhaven Farm (Madison, VA)	Holy Cow Grassfed Beef (Wapato, WA)
Stony Loam Farm (Charlotte, VT)	Strawberry Creek Farm (Chatham, VA)	Hunter's Greens Farm (Brush Prairie, WA)
Sunshine Valley Farm (Rochester, VT)	Sullivan's Pond Farm (Wake, VA)	Island's End Farm (Cathlamet, WA)
Too Little Farm (Barnet, VT)	Sumnerduck Farm (Sumnerduck, VA)	Jericho Farm (Concrete, WA)
Twilight Farm (Waterbury, VT)	Sweet Land Farm (Floyd, VA)	Jerzy Boyz Farm (Chelan, WA)
Walker Farm (Dummerston, VT)	Terra Prima Farm (Daleville, VA)	Kickitat Organics (Trout Lake, WA)
Windstone Farm (Williston, VT)	Tuckahoe Lamb & Cattle Co. (Cartersville, VA)	Little Island Farm (Puget Island, WA)
Your Farm (Fairlee, VT)	Wayland Orchard (Crozet, VA)	Lopez Harvest (Lopez Island, WA)
	Waterbear Farm (Floyd, VA)	Lopez Island Vineyards (Lopez Island, WA)
	Willow Hawk Farm (Lovettsville, VA)	Maha Farm (Whidbey Island, WA)
	Willows Bend Farm (Dinwiddie, VA)	Meadows Tith Urban Farm (Vancouver, WA)
Virginia:		Minea Farm (Redmond, WA)
Babes in the wood Farm (Dillwyn, VA)		Mountain Morning Farm (Eatonville, WA)
The BarnHouse Garden (Moneta, VA)		Mountain Niche Farm (Chehalis, WA)
Batten Bay Farm (Carrollton, VA)	21 Acres (Woodinville, WA)	Muscle and Arm Farm (Freeland, WA)
Bay Haven Farm (Round Hill, VA)	Appelcart Fruits (Tonasket, WA)	Osprey Hill Farm (Acme, WA)
Brookview Farm (Manakin-Sabot, VA)	Aslan's How Organics (Bow, WA)	Oyster Bay Farm (Olympia, WA)
Craig Creek Gardens (New Castle, VA)	Balanced Systems Farm (Camano Island, WA)	Oxbow Farm (Carnation, WA)
Dave and Dee's Homegrown Mushrooms (Sedley, VA)	Barn Place Farm (Woodinville, WA)	Paradise Organics (Yelm, WA)
Dolce Vita Farm (Sutherland, VA)	Billy's Organic Gardens (Tonasket, WA)	Persephone Farm (Indianola, WA)
Dragonfly Farms (Beaver Dam, VA)	Bird Song Farm (Vancouver, WA)	Piptone Farms (Rock Island, WA)
Elim Springs Farm (Amelia, VA)	Blue Heron Farm (Poulsbo, WA)	Purple Rain Vineyard (Hockinson, WA)
Evergreen Acres (Nokesville, VA)	Bone Dry Ridge Farm (Independence Valley, WA)	Rainbow Egg Farm (Brush Prairie, WA)
Faith Farm Foods (Green Bay, VA)	Booth Canyon Orchard (Carton, WA)	Redwing Farm (Friday Harbor, WA)
Fields Funny Farm (King William, VA)	Campbell Orchards (Tieton, WA)	Rosehip Farm (Coupeville, WA)
Furbelow Farms (Cumberland, VA)	Canyon Ridge Farm (Bothell, WA)	S&S Homestead Farm (Lopez Island, WA)
Glean Acres Farm (Culpeper, VA)	Cloudview EcoFarm (Royal City, WA)	Scholtz Farm (Orting, WA)
Golden Eagle Alpaca Farm (Suffolk, VA)	The Cutting Garden (Sequim, WA)	Sister Sage Herbs (Vashon, WA)
Griffin's Ark (Chatham, VA)	DanDee Farm Naturals (Camas, WA)	Sol to Seed Farm (Carnation, WA)
Juniper Moon Farm (Palmyra, VA)	Dahlia Barn (North Bend, WA)	Sunseed Farm (Acme, WA)
Lost Corner Farm (Leesburg, VA)	Earth Conscious Organics (Brewster, WA)	Take Root Farm (Buckley, WA)
Maranatha Alpaca Farm (Fredericksburg, VA)	F.A. Farm (Ferndale, WA)	Tobaton Creek Ranch (Yelm, WA)
Mountain View Farm (Purcellville, VA)	Farmer Ben's (Lynden, WA)	Trout Lake Farm (Trout Lake, WA)
Moutoux Orchard (Wheatland, VA)	Forest Creek Farm (Enumclaw, WA)	Viva Farms (Burlington, WA)
Nature By Design Nursery (Alexandria, VA)	Green Pastures Farm (Trout Lake, WA)	Wild Rose Farm (Oak Harbor, WA)
Pampatike Organic Farm (King William, VA)	Green Valley Farm (Auburn, WA)	Willapa Hills Nursery (Raymond, WA)
Quiet Acres Farm (Grottoes, VA)	Green Wave Gardens (Northport, WA)	Windy N Ranch (Ellensburg, WA)
Rider's Backfield Farm Beef (Etlan, VA)	Heavenly Hills Harvest (Sunnyside, WA)	Woolley Farms (Sedro-Woolley, WA)
Riven Rock Farm (Monterey, VA)	Heller Family Farm (Lopez Island, WA)	

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West Virginia:

Capon Crossing Farm Market and Gardens (Wardensville, WV)
 La Paix Herb Farm (Alum Bridge, WV)
 Orr's Farm Market (Martinsburg, WV)
 Round Right Farm (Terra Alta, WV)
 Swift Level Natural Beef (Lewisburg, WV)
 Working H Farms (Terra Alta, WV)

Wisconsin:

Anathoth Community Farm (Luck, WI)
 Aquarian Gardens (Menomonie, WI)
 Aspen Sunset Grass Finished Beef (Reedsburg, WI)
 Avodah Farm (Arkansas, WI)
 BareNaked Honey Farm (Weston, WI)
 Bit O' Country Ranch (DePere, WI)
 Black Earth Meat Market, LLC (Black Earth, WI)
 Campbell's Garden (Iron River, WI)
 Copper Kettle Farm (Colgate, WI)
 Daisy's Funny Farm (Monroe, WI)
 Dreamfarm (Cross Plains, WI)
 Edible Forest Nursery (Madison, WI)
 Equinox Community Farm (Waunakee, WI)
 Evergood Farm (Rhinelander, WI)
 Fox Valley Berkshire (Fond du Lac, WI)
 Golden Bear Farm (Kiel, WI)
 Goose Chaser Farm (Monticello, WI)
 Grassroots Farm (Monroe, WI)
 Keppers Pottery & Produce (Turtle Lake, WI)
 Nesbitt's Nursery (Prescott, WI)
 Nordic Hills Farm (Ontario, WI)
 Oakridge Farms (Neenah, WI)
 Olden Produce (Ripon, WI)
 Otter Creek Organic Farm (Avoca, WI)
 Parisi Family Farm (Stoughton, WI)
 Peterman Brook Herb Farm (Porterfield, WI)
 Pinnacle Pastures Farm (Ripon, WI)

Primrose Community Farm (Cross Plains, WI)
 Rhine Center Vegetable Club (Elkhart Lake, WI)
 Scotch Hill Farm (Brodhead, WI)
 Small Family Farm (LaFarge, WI)
 Springdale Farm (Plymouth, WI)
 Sunbow Farm (Eau Claire, WI)
 Sunny Sky Farm (Amherst Junction, WI)
 Sweet Water Organics (Milwaukee, WI)
 Three Fawn Meadows Farm (Avoca, WI)
 Threshing Table Farm (Star Prairie, WI)
 Together Farms (Mondovi, WI)
 Tomato Mountain Farm (Brooklyn, WI)
 V D B Farms (Delavan, WI)
 Vermont Valley Community Farm (Blue Mounds, WI)
 Vintage Hobby Farm (East Troy, WI)

Wyoming:

Big Horn Mountain Alpacas (Parkman, WY)
 Double L Farm & Ranch (Sheridan, WY)
 Idle Thyme Farm (Carpenter, WY)

Religious Leaders:

Kansas

Rev. Claudia Bakely- Basehor UMC (Basehor, KS)
 Rev. Ross Baker, Wichita East Heights UMC (Wichita, KS)
 Rev. Patrick Buss, Burlington, UMC (Burlington, KS)
 Rev. Diana Chapel, Ogden Friendship House (Ogden, KS)
 KSJRev. Donna Clark Fuller, Fort Scott St. John UMC, Hammond UMC, West Liberty UMC (Fort Scott, KS)
 Rev. Jeffrey W. Gannon, Chapel Hill United Methodist Church (Wichita, KS)
 Rev. Gary Gooding- Lane UMC, Osawatimie UMC (Osawatimie, KS)
 Rev. Steven Griffith, St. James UMC (Coffeyville, KS)
 Rev. Bob Grover, Bazaar UMC (Bazaar, KS)
 Rev. Todd Guinn Wichita First UMC (Wichita, KS)
 Rev. Marshall Larson- Big Springs UMC (Leecompton, KS)
 Rev. Hal Lewis, Neosho Rapids UMC (Neosho Rapids, KS)

Rev. Janella McDaniel, Belle Plaine UMC (Belle Plaine, KS)
 Rev. Michael McKee- Centralia UMC; Trinity UMC; Seneca UMC (Seneca, KS)
 Rev. Dalias Peterson- Blue Mound UMC; Mound City UMC (Mound City, KS)
 Rev. Jim Stigall, Melvern UMC, Quenemo UMC (Melvern, KS)
 Rev. Don Wharton, Maize UMC (Maize, KS)
 Rev. Andy Whitaker Smith- Topeka First UMC (Topeka, KS)

Michigan

Rev. Eugene Bacon, First UMC (Alpena, MI)
 Rev. Emily Beachy, Girard UMC (Coldwater, MI)
 Rev. Dr. Bobby Cabot, Bear Lake UMC, Arcadia UMC (Bear Lake, MI)
 Rev. Mary Ellen Chapman, Lincoln Community UMC (Ypsilanti, MI)
 Rev. Gregory P. Culver, Charlevoix UMC (Charlevoix, MI)
 Rev. Daniel M. Duncan, Grand Haven Church of the Dunes (Grand Haven, MI)
 Rev. Peggy Garrigues- Clawson UMC (Clawson, MI)
 Rev. Jack Johnston, Ossineke UMC (Ossineke, MI)
 Rev. Marcel Lamb- Mio UMC (Mio, MI)
 Rev. Gregory J. Martin, Grand Rapids Aldersgate UMC (Grand Rapids, MI)
 Rev. Doug McMunn, Milford UMC (Milford, MI)
 Rev. Clifford L. Radtke Lawrence UMC (Lawrence, MI)
 Rev. Mary Beth Rhine, Hersey UMC (Hersey, MI)
 Reverend Kay Welsch, Turk Lake UMC (Greenville, MI)
 Rev. Mark Zender- Cherry Hill UMC (Canton, MI)

Minnesota

Rev. Carrie Binnie, Discovery UMC (Chanhassen, MN)
 Rev. Allen Clark Harris (Aitkin, MN)
 Rev. Darvin L. Miller
 Rev. Gary B. Taylor, Peace United Church (Long Prairie, MN)
 Rev. Rony Veska- Ferndale First UMC (Ferndale, MN)

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Southwest Iowa Egg Cooperative
75868 Victoria Road
Massena, Iowa 50853

June 28, 2012

The Honorable Thomas Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Ave, SW.
Washington, DC 20250

Dear Secretary Vilsack,

I write today to voice our strong opposition to H.R. 3798/S. 3239, the Egg Products Inspection Act Amendments of 2012. We sincerely appreciate the efforts of this Administration to improve the viability of family farms through programs like USDA's microloans and small business grants. Given USDA's focus on advancing the cause of the small family farm, we read with some interest a June 18th interview in which you seem to conclude this legislation "makes sense".

H.R. 3798/S. 3239 has the support of the United Egg Producers (UEP), an organization representing 88% of the egg industry. However, UEP admits that its board members that voted to support the legislation only represent 45% of the industry. Meanwhile, family egg farmers across the country are speaking out in opposition. Egg Farmers of America, a group comprised of and funded 100% by small, family egg farmers, was formed for the sole purpose of fighting this effort. No longer viewed as "relevant" by UEP, small farmers are refusing to stand by while our livelihoods are offered up as collateral in a deal cut with the Humane Society of the United States (HSUS).

Based on recently-constructed U.S. colony houses, transitioning the nation's 290 million laying hens to comply with the legislation will cost between \$25 - \$30 per hen, or around \$9 billion. Small egg farms will not be shielded from these excessive costs. For example, an egg farm with only 250,000 laying hens can expect to pay over \$7 million to comply with the legislation.

Mr. Secretary, in the midst of our nation's current economic uncertainty, small businesses continue to clamor for any and all available credit to keep our operations viable. With credit markets overstretched, family egg farmers like ourselves were forced out of business when similar legislation was implemented in the European Union (EU) in January 2012. These farmers were unable to secure the necessary capital

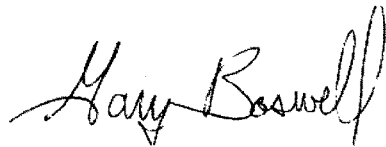
to overhaul their hen housing systems to comply with the law. As a result, supplies across the EU are down 200 million eggs per week (20%) and egg prices across the EU have skyrocketed 55%. These price increases hurt budget conscious consumers who buy eggs as a low-cost form of nutritious protein. The chaos in the European egg markets has also led European countries to source more and more of their eggs from foreign suppliers and replace eggs with alternative sources of protein.

The opinion that this legislation "makes sense" prompted us to take a look at what scientific evaluation tells us about hen housing. In the summer of 2011, the Agricultural Research Service (ARS) concluded that ***"Hens can experience stress in all housing types, and no single housing system gets high scores on all welfare parameters."*** ARS explains in their Hen Laying Welfare Fact Sheet that more space does not guarantee a more humane environment. More specifically, *"providing hens with more space so that they can roost allows the hen to perform a natural behavior, which she has a high degree of motivation to perform; however, this environment also causes increased incidence of broken bones, due to miscalculated landings on the perch or floor. Thus, learning to manage the hen's welfare in all production systems is the key to improving hen welfare."*

We would be remiss if we failed to respond to your comment that this legislation will alleviate concerns from egg farmers "facing 50 different sets of rules" and having to "fight referendums in 50 different states". First, there are only 24 states in the U.S. that have a state referendum process, and only a handful of those states have used that process relative to hen housing, none of which have yet to go into effect. Secondly, we believe that state laws that prohibit the transport of USDA inspected products should be overturned as they obstruct the free flow of trade. Mr. Secretary, quite frankly we are stunned that your first public comments on this issue failed to communicate whether you support or oppose states blocking the interstate commerce of USDA-approved agricultural products.

We agree with the decades of scientific evidence that reveals there are advantages and disadvantages to all hen housing systems, and proper management of any housing system is critical for humane care. Under no circumstance do we believe it makes sense to ignore science by taking a single welfare advantage or disadvantage out of context to mandate one system. H.R. 3798/S. 3239 is not rooted in science, will increase costs for U.S. consumers, and will put small family entrepreneurs out of business. We hope you see this legislation for what it truly is -- a congressionally mandated multi-billion dollar additional capital investment.

Sincerely,



Gary Boswell
Secretary of the Board
Southwest Iowa Egg Cooperative

Testimony of the Humane Society of the United States
to the Senate Committee on Agriculture, Nutrition and Forestry

Hearing on S. 3239, the Egg Products Inspection Act Amendments of 2012 – Impact on Egg
Producers
July 26, 2012

Thank you, Chairwoman Stabenow and Ranking Member Roberts, for holding this hearing and for the opportunity to submit written testimony to the Committee on this important legislation. On behalf of our organization's 11 million supporters nationwide, we commend Senator Feinstein for her leadership, and we urge the Committee to support the Egg Products Inspection Act of 2012 and help get it enacted quickly.

It's not often in Washington, D.C., that two political adversaries come together and find a solution that is good for both sides and for the nation. That's just what this legislation represents. It would improve standards for laying hens in the egg industry and provide a stable and secure future for U.S. egg farmers.

The welfare of egg-laying hens has been among the most contentious issues that the agriculture sector and animal advocates have clashed over for the past several decades. Both sides have spent millions of dollars on state legislation and ballot measure campaigns, litigation, research, investigations, and more.

Last year, the United Egg Producers, which represents nearly 90 percent of the U.S. egg industry, and the Humane Society of the United States, the nation's largest animal welfare group, agreed on a path forward to reform that will result in improved treatment of laying hens and give the industry a greater degree of confidence in the regulatory framework it must abide by.

The legislation will set minimum space and enrichment standards for the care of the nation's 280 million laying hens – essentially doubling space over time for each hen kept in a conventional cage, requiring enrichments such as nest boxes and perches that permit hens to better express natural behaviors, banning the practice of feed- or water-withdrawal to force hens to molt and extend their laying cycle, requiring standards approved by the American Veterinary Medical Association for euthanasia of egg-laying hens, and limiting ammonia levels. The bill also requires labels on egg cartons informing consumers of the method used to produce eggs – “eggs from caged hens,” “eggs from hens in enriched cages,” “eggs from cage-free hens,” and “eggs from free-range hens” – which will help consumers make more informed decisions about their purchasing choices.

Egg producers favor a shift to larger, enriched cages, but only through federal action can a uniform, mandatory national standard be achieved. This bill provides regulatory relief from the growing patchwork of conflicting state laws. Egg farmers will be able to invest in these enriched colony cage systems with the assurance that they will face regulatory certainty and not conflicting state laws already on the books as well as potential new state laws in the future. Having this uniform national standard is something the egg industry wants. This isn't a case of Congress imposing an unfair burden on industry.

Since changes to the cages would be phased in over the next 15 to 18 years, many during the normal course of replacing aged equipment, any consumer cost increases are expected to be minor. An economic study conducted by the independent research group Agralytica concluded that under the bill, egg prices would likely increase by less than 2 cents per dozen, spread out over an 18-year period, with most of the increase occurring in the out years. The legislation is structured to avoid problems consumers in Europe faced when the EU's January, 2012 deadline for new hen housing came into effect and producers waited until the last minute to comply. S. 3239's gradual phase-in period and incremental milestones for accomplishing the transition will assure the U.S. marketplace of a stable egg industry and supply.

S. 3239 is not expected to create any new government programs or add substantial costs to the federal government. The preliminary CBO score for it is zero. The Egg Products Inspection Act of 1970 already regulates the sale of eggs and egg products in interstate commerce, and this legislation would amend that four-decades-old federal statute. The egg industry would be responsible for financing the investments in new housing structures for its egg-laying hens over the next 15 to 18 years. USDA would conduct a survey to determine whether the changes are being implemented, but would not have substantial costs for administration or enforcement.

This legislation has been endorsed not only by the United Egg Producers, but also by 15 other agriculture and egg producer groups: the Arkansas Egg Council, Association of California Egg Farmers, Colorado Egg Producers Association, Florida Poultry Federation, Inc., Georgia Egg Association, Indiana State Poultry Association, Michigan Agri-Business Association, Michigan Allied Poultry Industries, New England Brown Egg Council, Nebraska Farmers Union, North Carolina Egg Association, Ohio Egg Processors Association, Ohio Farmers Union, Rocky Mountain Farmers Union, and United Farm Workers. In addition, almost 1,200 individual family farms covering all 50 states have taken the time to formally endorse this legislation.

The American Veterinary Medical Association, the American Association of Avian Pathologists, and the Association of Avian Veterinarians all support this legislation as the best way forward for science-based animal welfare standards. They know that the enriched colony cages that the bill calls for lead to better bird health and productivity, and that the bill provides a very reasonable timeframe for implementation. As reported in Feedstuffs (1/19/12), a study on an American farm comparing enriched colony cages with conventional cages found, "In the colony house, mortality was 4.22%, better than the 7.61% in the conventional cage; eggs laid per hen were 421, versus 399; average case weight was 49.4 lb., versus 47.93 lb." The leading scientists familiar with the egg industry embrace the legislation and urge a transition to larger, enriched colony cages. Animal scientist and president of California Polytechnic State University Dr. Jeffrey D. Armstrong calls the proposal the "best all around" for hen welfare.

Twenty six newspapers from around the country, including USA Today, have editorialized in favor of S. 3239 and its companion bill, H.R. 3798, applauding the legislation's common sense approach to addressing a controversial issue.

Five national consumer organizations, including the Consumer Federation of America that represents 300 non-profit consumer groups across the country, endorse the legislation, too. According to a nationally-representative poll conducted by an independent research organization (The Bantam Group), consumers support the bill by a 4-to-1 margin.

Thirteen other national animal protection groups besides the Humane Society of the United States, including the ASPCA, American Humane Association, Farm Sanctuary, and Mercy for Animals, as well as 34 local humane societies, have all embraced this legislation, recognizing that it will mean significant improvements in the lives of millions of animals.

For the full current list of endorsements, please see:
www.humanesociety.org/egg_bill_endorsements.

This proposal deals only with egg-laying hens and has no effect on others in animal agriculture. It amends the Egg Products Inspection Act, a federal statute that already regulates the sale of eggs and does not reach into other agricultural products. For decades, the EPIA has treated eggs differently than other animal agriculture products, without any spillover effect. For instance, the Food and Drug Administration enforces on-farm food safety regulations for eggs but not for other livestock sectors.

This is a matter of self-determination for the egg industry. If this legislation is blocked by other livestock organizations unfamiliar with the science or economics of egg production, based on a hypothetical “slippery slope” argument, some egg farmers in certain states face the very real prospect of going out of business. Obviously, the unique coalescing of goals shared by egg producers and animal welfare advocates does not in any way bind Congress to adopt reforms for another industry that isn’t similarly seeking such reforms. There is also a certain hypocrisy in the opposition of the pork and cattle industries, which have long benefited from uniform federal laws and insisted on strict preemption of state laws under the Federal Meat Inspection Act (FMIA), the Poultry Products Inspection Act, and other laws such as the Nutrition Labeling and Education Act. The egg industry should have the same right to uniform federal standards as other agriculture sectors. The preemption language in S. 3239 mirrors that in the Federal Meat Inspection Act.

Contrary to the claims of a few, S. 3239 will not hurt small-scale egg farmers. The legislation specifically exempts any producer who has fewer than 3,000 laying hens, consistent with the Egg Products Inspection Act. Moreover, while the bill requires improvements in cage housing for any facility with 3,000 or more hens, it does not impose any housing changes on cage-free or free-range operations. Cage-free and free-range farms will be unaffected by S. 3239, except that they may see increased sales as consumers are able to more clearly distinguish what is available on store shelves, thanks to the bill’s labeling provisions. That has been the experience in the EU from parallel labels. Additionally, several existing state laws on the treatment of laying hens – including those in California, Michigan, Ohio, and Oregon – do not include any exemption for small producers, so egg farmers with fewer than 3,000 hens have to meet the same standards as large producers under those state laws. Only by passing the federal bill will those small farmers have regulatory relief.

This legislation complies with international trade rules. Although imports account for less than 1% of U.S. egg sales and consumption, the bill is nevertheless drafted to comply with U.S. obligations under the World Trade Organization (WTO) Agreements. If ever challenged at the WTO, the bill would likely be found to be consistent with international trade rules covering trade in goods (General Agreement on Tariffs and Trade – GATT), food safety (Sanitary and

Phytosanitary Agreement – SPS), and labeling (Technical Barriers to Trade Agreement – TBT). An important feature of the bill is that it applies equally to U.S. and foreign production of eggs and egg products sold in the U.S. It does not favor any country to the detriment of another, nor disguise a protectionist motive. Moreover, it is based on the best available scientific information, and is not more trade restrictive than necessary to achieve the objectives of protecting human and animal life and health, food safety, animal welfare, and consumer protection.

Some have tried to argue that this bill will cause U.S. producers to move production to other countries, such as Mexico. But regardless of where egg and egg products are produced, they will still have to comply with the requirements in the bill in order to be sold in the U.S. market. And moving production outside of the U.S. will likely entail additional transportation costs because the products will have to be shipped back to the U.S. for sale. So to continue selling eggs and egg products to customers in the U.S., there would be no advantage to moving production abroad.

Others have suggested that the egg industry should just make the transition to enriched colony cage systems on its own without any federal law. The UEP plans to incorporate these proposed standards into its UEP Certified guidelines, but those standards are voluntary for producers. Federal legislation is the only way to ensure a uniform baseline for laying hen standards within the U.S. egg industry, and it is the only way to preempt the state laws that call for conflicting standards.

Congress is now in a position to implement a policy that will solve a controversial problem for decades to come and has the enthusiastic support of so many key stakeholders. This is the sort of problem-solving the country needs. We urge Congress to approve this legislation expeditiously for the good of farmers, consumers, and hundreds of millions of birds. Thank you again for the opportunity to offer our views on this important legislation.



Support S. 3239 / H.R. 3798 to Promote U.S. Egg Industry and Advance Animal Welfare

The United Egg Producers, which represents 88% of the nation's egg industry, and The Humane Society of the United States, the nation's largest animal welfare organization, have been long-time adversaries, but have come together and identified a solution for housing 280 million laying hens that balances animal welfare and the economic realities of the industry. The nation needs this kind of problem solving, and the Congress should enthusiastically embrace it.

S. 3239 and H.R. 3798, the **Egg Products Inspection Act Amendments of 2012**, would:

- require conventional cages to be replaced during an ample phase-in period with new, enriched colony housing systems that provide each egg-laying hen nearly double the amount of current space;
- require that, after a phase-in period, all egg-laying hens be provided with environmental enrichments, such as perches, nesting boxes, and scratching areas, that will allow hens to express natural behaviors;
- mandate labeling on all egg cartons nationwide to inform consumers of the method used to produce the eggs—"eggs from caged hens," "eggs from hens in enriched cages," "eggs from cage-free hens," and "eggs from free-range hens";
- prohibit feed- or water-withdrawal molting to extend the laying cycle, a practice already prohibited by the United Egg Producers Certified program;
- require standards approved by the American Veterinary Medical Association for euthanasia of egg-laying hens;
- prohibit excessive ammonia levels in henhouses; and
- prohibit the transport and sale of eggs and egg products nationwide that do not meet these requirements.

If enacted, the proposal would require egg producers to increase space per hen in a tiered phase-in, with the amount of space hens are given increasing, in intervals, over the next 15 to 18 years. (Phase-in schedules are more rapid in California, consistent with a ballot initiative approved earlier by that state's voters.) Currently, the majority of hens are each provided 67 square inches of space, with some receiving just 48 square inches. The proposed phase-in would culminate with a minimum of 124 square inches of space for white hens and 144 for brown hens nationwide.

Eggs are a national commodity, and egg producers should have a level playing field—not have different, costly rules in all 50 states. Uniform regulations help both the producers and consumers. Through consistent rules, eggs can be produced and packaged uniformly to reduce consumer costs and meet public expectations of safe, wholesome food.

Leading scientists in the egg industry embrace this reform, and say enriched colony cages are the best all-around solution for hen welfare, industry economics, and an affordable egg supply for consumers. The legislation has been endorsed by all the major stakeholders, including animal welfare groups and egg producer groups.

American consumers overwhelming support nationwide improvements in the housing of laying hens. An independent poll by the Bantam Group found that consumers support the federal bill by a 4-to-1 margin, prefer a federal standard over state standards by a 2-to-1 margin, and support the transition to enriched colony cages by a 12-to-1 margin.

This is a matter of self-determination for the egg industry based on the best available science, consumer expectations and economics of egg production. The legislation is specific only to eggs, and all the parties have committed that this legislation will only affect egg production—no other livestock industries will be impacted.

Please support S. 3239 and H.R. 3798, the Egg Products Inspection Act Amendments of 2012, which has been introduced by Sen. Feinstein and Reps. Schrader, Gallegly, Farr, and Denham. For more information, please contact UEP at www.unitedegg.org or (404) 367-2761, or HSUS at www.humanesociety.org or (202) 955-3668.



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CHANGES PROPOSED IN FEDERAL LEGISLATION

MAY ONLY INCREASE EGG COSTS TWO CENTS PER DOZEN OVER 18 YEARS, NEW STUDY SHOWS

WASHINGTON D.C. (June 7, 2012) –Changes to egg production practices that are proposed in federal legislation (S. 3239 and H.R. 3798) may only increase consumer prices by less than two cents per dozen, a new economic study shows.

The legislation, which is supported by United Egg Producers (UEP), which represents nearly 90 percent of egg farmers, would set a national standard for egg production and labeling and would provide more space for hens and enrichments such as perches and nest boxes in their cages.

The study, commissioned by UEP and conducted by the independent research group Agralytica based in Alexandria, Virginia, concludes “Most of the impact on consumer prices will not occur until well into the 2020’s, and will probably average a 1% increase relative to the baseline (1.5 cents per dozen) over the 18 years” that the changes in egg production methods are phased in according to the legislation. The increased cost includes capital investments by farmers of new housing facilities (\$20-\$24 per hen, for a total of \$1.6 billion more than if current housing facilities were simply replaced with the same style of conventional cages over the next 18 years rather than replaced with enriched colony cages); modestly higher labor costs (9%) and slightly higher feed consumption (4%).

The current (week of June 1, 2012) national average advertised retail price for one dozen grade A eggs is \$1.15, according to the U.S. Department of Agriculture. Based on this new study, that same dozen eggs produced in the new, enriched colony cages might be expected to cost just two cents more.

NEW EGG STUDY

PAGE TWO

Gene Gregory, president of UEP, said "In polling, consumers have told us, by an overwhelming margin of 12-to-1, that they prefer their eggs to be produced in the enriched colony cage system because it allows the hens nearly double the amount of space, as well as opportunities to perform more of their natural behaviors like perching and nesting. Farmers need a level playing field and a reasonable transition period to be able to invest the capital needed to give consumers what they want, and this federal legislation is what consumers want, what farmers need, and what scientific experts support."

The legislation was introduced in the House by Reps. Kurt Schrader, D-Ore, Elton Gallegly, R-Calif., Sam Farr, D-Calif, and Jeff Denham, R-Calif., and has 60 co-sponsors in the House; and in the Senate by Senators Dianne Feinstein, D-Calif., Richard Blumenthal, D-Conn., Scott Brown, R-Mass., Maria Cantwell, D-Wash., Jeff Merkley, D-Ore., David Vitter, R-La. and Ron Wyden, D-Ore.

In addition to being supported by UEP, it also is supported by the Humane Society of the United States, the American Veterinary Medical Association, Consumer Federation of America, National Consumers League, American Society for the Prevention of Cruelty to Animals, American Humane Association, local Humane Societies, dozens of state and regional egg producer groups, and many other groups. There is no government or taxpayer cost anticipated with the legislation.

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United Egg Producers (UEP) is a Capper-Volstead cooperative for U.S. egg farmers, representing the ownership of approximately 88 percent of the nation's egg-laying hens. UEP members produce eggs using various systems including modern cage production, enriched cages, cage-free, free range, organic and other specialty eggs. For more information about UEP, please go to www.eggbill.com.

Existing State Laws on Egg-Laying Hens

ARIZONA: Beginning October 1, 2009, all hens from flocks of 20,000 or more birds must meet or exceed the United Egg Producers (UEP) guidelines (67 square inches per bird). All eggs from flocks of 20,000 or more birds (regardless of where produced) must also meet or exceed UEP standards. In addition, eggs sold must display the UEP Certified logo or the egg dealer must annually provide proof from an independent third party that hens were raised according to standards above.

http://www.azsos.gov/public_services/Title_03/3-02.htm#ARTICLE_9 (see R3-2-907)

CALIFORNIA: Proposition 2 passed in 2008; takes effect January 1, 2015. Hens cannot be confined in a manner that prevents them from "fully spreading both wings without touching the side of an enclosure or other egg-laying hens." In addition, eggs cannot be sold in California if they were produced by hens raised in violation of the confinement standards above.

<http://www.leginfo.ca.gov/cgi-bin/displaycode?section=hsc&group=25001-26000&file=25990-25994>

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=200920100AB1437&search_keywords=

MICHIGAN: Legislation passed in 2009; takes effect October 12, 2019. Requires "at least 1.0 square feet of usable floor space per hen" (144 square inches). Does not apply to sales.

[http://www.legislature.mi.gov/\(S\(tg3zzk45i5ukpwu1higur45\)\)/mileg.aspx?page=getObject&objectName=mc1-287-746](http://www.legislature.mi.gov/(S(tg3zzk45i5ukpwu1higur45))/mileg.aspx?page=getObject&objectName=mc1-287-746)

OHIO: Regulation passed September 29, 2011. Moratorium on construction of new battery cages except on existing farms; new facilities not on existing farms constructed after September 29, 2011 must use enriched colony housing systems. Existing farms may continue to use and build new battery cages indefinitely and facilities currently in use do not need to provide even 67 square inches until September 29, 2016. Existing farms may also replace any housing system that is destroyed in a catastrophic event with the same housing system. Existing farms include all land that houses hens as of September 29, 2011, as well as any land contiguous to an existing farm that is acquired by an existing farm owner or operator. Sale, transfer, or partition of existing farm does not void status as existing farm.

[http://www.agri.ohio.gov/LivestockCareStandards/docs/Livestock%20Care%20Standards%20\(EFFECTIVE\).pdf](http://www.agri.ohio.gov/LivestockCareStandards/docs/Livestock%20Care%20Standards%20(EFFECTIVE).pdf)

OREGON: Legislation passed in 2011. Requires that facilities constructed before January 1, 2012 meet or exceed United Egg Producers (UEP) guidelines (67 square inches per bird), and that facilities constructed after January 1, 2012 meet American Humane Association guidelines (116 square inches per bird) for enriched colony cage housing by January 1, 2017. All facilities must meet AHA standards by January 1, 2026.

<http://www.leg.state.or.us/11reg/asures/sb0800.dir/sb0805.en.html>

WASHINGTON: Legislation passed in 2011 and takes effect August 1, 2012. All facilities must meet UEP standards. Until January 1, 2017, new facilities constructed between January 1, 2012 and December 31, 2016 must meet—or be convertible to—AHA standards, and after January 1, 2017, all facilities constructed after January 1, 2012 must meet AHA standards. All facilities after January 1, 2026 must meet or exceed the American Humane Association guidelines (116 square inches per bird) for enriched colony cage housing.

<http://apps.leg.wa.gov/documents/billdocs/2011-12/Pdf/Bills/Senate%20Passed%20Legislature/5487-S.PL.pdf>

HSUS-UEP Agreement: Phase-In of Improvements to Space Per Hen and Environmental Enrichments

TIMEFRAME		NEW CAGES (PUT INTO USE AFTER 12/31/11)	EXISTING CAGES (PUT INTO USE ON OR BEFORE 12/31/11)
Upon law's enactment	67 and 76 square inches required for white and brown hens, respectively	No changes required	No changes required
Three years from law's enactment	78 and 90 square inches required for white and brown hens, respectively ¹	No changes required	No changes required
Four years from enactment	No additional changes required	67 and 76 square inches required for white and brown hens, respectively	67 and 76 square inches required for white and brown hens, respectively
Six years from enactment	90 and 102 square inches required for white and brown hens, respectively	<ul style="list-style-type: none"> No specific changes required², but 25% of all caged hens (new & existing cages) must be given 90 and 102 square inches, for white and brown hens, respectively Ag Secretary makes compliance finding for 25% threshold. If not compliant, as of Jan 1, 2020, no eggs can be sold by facilities older than Jan. 1, 1995 unless they meet 90/102 square inch requirements 	<ul style="list-style-type: none"> No specific changes required², but 25% of all caged hens (new & existing cages) must be given 90 and 102 square inches, for white and brown hens, respectively Ag Secretary makes compliance finding for 25% threshold. If not compliant, as of Jan 1, 2020, no eggs can be sold by facilities older than Jan. 1, 1995 unless they meet 90/102 square inch requirements
Nine years from enactment	101 and 116 square inches required for white and brown hens, respectively, plus cages need adequate environmental enrichments	No additional changes required	No additional changes required
Twelve years from enactment	113 and 130 square inches required for white and brown hens, respectively (plus existing enrichments previously added)	No specific changes required, but 55% of all caged hens (new & existing cages) must be given 113 and 130 square inches, for white and brown hens, respectively	No specific changes required, but 55% of all caged hens (new & existing cages) must be given 113 and 130 square inches, for white and brown hens, respectively
Fifteen years from enactment	124 and 144 square inches required for white and brown hens, respectively, (plus existing enrichments previously added)	Except for operations installed between Jan 2008 – Dec 2011, 124 and 144 square inches required for all white and brown hens, respectively, plus all cages need adequate environmental enrichments.	Except for operations installed between Jan 2008 – Dec 2011, 124 and 144 square inches required for all white and brown hens, respectively, plus all cages need adequate environmental enrichments.
Eighteen years from enactment	No additional changes required	124 and 144 square inches required for white and brown hens, respectively, plus cages need adequate environmental enrichments, in operations installed between 2008-2011	124 and 144 square inches required for white and brown hens, respectively, plus cages need adequate environmental enrichments, in operations installed between 2008-2011

¹ For California, 116 and 134 square inches required for white and brown hens, respectively, as of January 1, 2015 (all cages), and 124 and 144 square inches required for white and brown hens, respectively, as of January 1, 2021 (plus existing enrichments previously added), consistent with a ballot initiative approved earlier by that state's voters

² As of December 31, 2018, environmental enrichments must be added to all California cages



Frequently Asked Questions about S. 3239 / H.R. 3798, the Egg Products Inspection Act Amendments of 2012

Why should the federal government establish standards for the egg industry?

Because the alternative is a growing patchwork of inconsistent state standards that will restrict interstate movement of eggs, distort competition and put many farmers out of business. The United Egg Producers (UEP), which represents 88% of U.S. egg production, favors a shift to enriched colony cages, similar to those adopted by the European egg industry. However, only through federal action can a uniform, mandatory national standard be achieved. This proposal would provide farmers with ample time to make investments in improved housing systems, in intervals, over the next 15 to 18 years, with the assurances that all will face the same requirements by the end of the phase-in period and that the new equipment will be recognized as adequate under federal law. For some facilities, the transition can be accomplished during the normal course of replacing aged equipment.

Does this bill affect others forms of agriculture?

No. This proposal deals only with egg-laying hens, and has no impact on others in animal agriculture. It amends the Egg Products Inspection Act of 1970, a federal statute that already regulates the sale of eggs and does not reach into other agricultural products. This is a matter of self-determination for the egg industry. If this legislation is blocked by other livestock organizations unfamiliar with the science or economics of egg production, egg farmers face the very real prospect of going out of business. For egg producers, the stakes couldn't be higher.

Does it set a precedent that other agricultural products might be regulated next?

No. Other sectors of animal agriculture have long enjoyed uniform federal standards, and there is no precedent here. Eggs have always been regulated differently from other animal agriculture industries—for instance, the Food and Drug Administration enforces on-farm food safety regulations for eggs but not for other livestock sectors. For decades, the meat and poultry industries have insisted on strict preemption of state laws under the Federal Meat Inspection Act (FMIA), the Poultry Products Inspection Act, and other laws such as the Nutrition Labeling and Education Act. The egg industry should have the same right to uniform federal standards as other agriculture sectors. The preemption language in S. 3239 and H.R. 3798 mirrors that in the FMIA. Moreover, the unique coalescing of goals shared by egg producers and animal welfare advocates does not in any way bind Congress to adopt reforms for another industry that isn't similarly seeking such reforms.

Are these standards based on sound science?

Yes. The leading scientists familiar with the egg industry embrace the legislation and urge a transition to enriched colony cages. Dr. Jeffrey D. Armstrong, an animal scientist and president of California Polytechnic State University in San Luis Obispo, calls the proposal the "best all around" for hen welfare, and says further that "the science behind colonies is solid." UEP's scientific advisory committee, comprising experts from Purdue University, the American Veterinary Medical Association and other prestigious institutions, has reviewed enriched cages and has noted that they combine the advantages of both conventional cages and cage-free systems.

How does this bill advance animal welfare?

Scientific research shows that increasing the amount of space per hen and providing the hens with environmental enrichments (e.g., nesting boxes, perches, and scratching areas) improves their welfare, which is advantageous for hens and producers alike. The UEP already disallows feed-withdrawal molting among UEP Certified members, as science shows that it is detrimental to hens' welfare. And high ammonia rates in poultry houses can lead to respiratory infection in hens and people, so controlling ammonia levels is important for the health of hens and producers.

Why doesn't the egg industry just adopt standards on its own?

The UEP plans to incorporate these proposed standards into its own UEP Certified guidelines, but those standards are voluntary for producers. Federal legislation is the only way to ensure a uniform baseline for laying hen standards within the U.S. egg industry, and it's the only way to preempt the state laws that call for conflicting standards.

Will there be any cost to the federal government?

The legislation is not expected to create any new government programs or add substantial costs to the federal government. The Egg Products Inspection Act of 1970 already regulates the sale of eggs and egg products in interstate commerce, and this legislation would amend that four-decades-old federal statute. The egg industry would be responsible for financing the investments in new housing structures for its egg-laying hens, spending an anticipated \$4 billion of its own capital over the next 15 to 18 years. USDA would conduct a survey to determine whether the changes are being implemented, but would not have substantial costs for administration or enforcement.

Will the cost of eggs increase?

Since the changes proposed by the federal legislation would be phased in over the next 15 to 18 years, many during the normal course of replacing aged equipment, any consumer cost increases are expected to be minor. An economic study conducted by the independent research group Agralytica indicates that the changes are expected to increase consumer prices by less than 2 cents per dozen, spread out over an 18-year period. This very small increase, which will only happen years into the future, is much less than natural price fluctuations based on a variety of other factors such as energy, feed, and distribution costs. What's more, studies show that enriched colony cages can be better for production than conventional cages, as the hens have lower mortality and higher productivity, making them more economically efficient for egg producers. These improvements were noted in a 1/19/12 Feedstuffs report on an American egg producer using enriched colony cages: "In the colony house, mortality was 4.22%, better than the 7.61% in the conventional cage; eggs laid per hen were 421, versus 399; average case weight was 49.4 lb., versus 47.93 lb."

Why should we preempt the state laws on this issue?

Increasingly, these state laws are being applied to out-of-state eggs. Eggs are a national commodity. Egg producers need a level playing field nationwide, and need certainty about what standards are going to be required in the coming years so they can make the necessary investments in their businesses—not face different, costly rules in all 50 states, which is where we are heading if we don't pass this legislation. It's a hardship on farmers to have different standards in different states, especially since many egg producers sell across the country to different markets in different regions. Many retail purchasers, such as national grocery store and fast food restaurant chains, also need supplies of eggs from multiple states. Federal legislation is the only way to ensure a level playing field for all producers, and provide stability for the U.S. egg market.

Is this consistent with the vision of the U.S. Constitution?

Yes, absolutely. The framers of the Constitution understood that varying state laws created challenges to trade that threatened a viable national economy. This was, in fact, one of the reasons for the Philadelphia convention of 1787 that produced our present Constitution. The framers adopted the Commerce Clause to enable Congress to establish federal laws preventing undue barriers to interstate commerce among states, as can occur with patchwork state legislation.

Does this bill comply with international trade rules?

Yes. Although imports account for less than 1% of U.S. egg sales and consumption, the bill is nevertheless drafted to comply with U.S. obligations under the World Trade Organization (WTO) Agreements. If ever challenged at the WTO, the bill would likely be found to be consistent with international trade rules covering trade in goods (General Agreement on Tariffs and Trade – GATT), food safety (Sanitary and Phytosanitary Agreement – SPS), and labeling (Technical Barriers to Trade Agreement – TBT). An important feature of the bill is that it applies equally to U.S. and foreign production of eggs and egg products sold in the U.S. It does not favor any country to the detriment of another, nor disguise a protectionist motive. Moreover, it is based on the best available scientific information, and is not more trade restrictive than necessary to achieve the objectives of protecting human and animal life and health, food safety, animal welfare, and consumer protection.

Will this bill cause U.S. producers to move production to other countries, such as Mexico?

No. Regardless of where egg and egg products are produced, they will still have to comply with the requirements in the bill in order to be sold in the U.S. market. Moreover, moving production outside of the U.S. will likely entail additional transportation costs because the products will have to be shipped back to the U.S. for sale. Thus, to continue selling eggs and egg products to customers in the U.S., there would be no advantage to moving production abroad.

How does this bill affect small egg farmers?

The legislation specifically exempts any producer who has fewer than 3,000 laying hens, which is consistent with the Egg Products Inspection Act. Moreover, while the bill requires improvements in cage housing for any facility with 3,000 or more hens, it does not impose any housing changes on cage-free, free-range, or similar operations. Several existing state laws on the treatment of laying hens—including those in California, Michigan, Ohio, and Oregon—do not include any exemption for small producers, so egg farmers with fewer than 3,000 hens have to meet the same standards as large producers. Only by passing the federal bill will those small farmers have regulatory relief.



CONSUMERS OVERWHELMINGLY SUPPORT NATIONAL LEGISLATION SOUGHT BY EGG FARMERS

WASHINGTON (January 30, 2012) -- American consumers overwhelmingly support the national legislation regarding egg production that was introduced last week in Congress, according to a new survey released today.

Consumers said they would support federal legislation that would transition egg production from the existing conventional cages used for egg-laying hens to enriched cages by a margin of 4-to-1. Furthermore, consumers said that federal legislation was preferable to state legislation by a margin of 2-to-1.

The study was conducted by an independent research company, The Bantam Group, and commissioned by United Egg Producers which represents the majority of egg farmers in the U.S. and which supports the federal legislation. However, the survey's sponsorship was anonymous so as to not bias any of the 2,000 respondents, all of whom were registered voters.

Consumers support the transition to enriched cages for egg production by a margin of 12-to-1. Consumers also said that the two most important groups to support this transition outlined in the federal legislation (H.R. 3798) to enriched cages are UEP and the Humane Society of the United States (HSUS), both of which support the bill, as do more than 11 egg and farm groups, 10 animal protection groups, and the National Consumers League. Fifty-nine percent of consumers said they would be "more supportive" if they knew that UEP and HSUS supported such legislation; Only 1 percent said they would be more opposed.

Enriched cages provide egg-laying hens nearly double the amount of space they currently have in conventional cages, plus provide perches, nest boxes, and scratch pads which allow the hens to exhibit their natural behaviors.

"This is legislation that egg farmers and consumers overwhelmingly support" said David Lathem, a Georgia egg farmer and chairman of UEP.

The survey was fielded by an independent research group, Bantam, which conducted two nationwide surveys, of 1,000 registered voters each, December 27, 2011 through January 20, 2012. The first survey investigated consumer support for enriched cages, the second survey investigated consumer support for the federal legislation.

The question of federal versus state legislation is important because several states already have established, or are in the process of establishing, different laws regarding the housing and sale of eggs in each of their states. And the Supreme Court last week ruled in favor of pork and beef farmers who

argued that a federal law regarding livestock processing pre-empts a state law that was passed in California.

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United Egg Producers (UEP) is a Capper-Volstead cooperative for U.S. egg farmers, representing the ownership of approximately 88 percent of the nation's egg-laying hens. UEP members produce eggs using various systems including modern cage production, enriched cages, cage-free, free range, organic and other specialty eggs. For more information about UEP, please go to unitedegg.org.

Media Inquiries, please contact on behalf of UEP: Mitch Head 520-398-7379

Dear Senator:

The undersigned organizations ask for your support of S. 3239, the Egg Products Inspection Act Amendments of 2012. This important legislation is the result of collaboration between the egg industry and animal welfare groups, and will improve the welfare of egg-laying hens while protecting jobs and keeping costs low for consumers. The bill is endorsed by the nation's egg farmers, animal advocates, veterinarians, consumers, and the leading scientists in the egg industry.

S. 3239 provides for a multi-year transition to enriched colony cages, in which each laying hen will ultimately be provided nearly twice as much space as the current industry standard, along with enrichments such as nest boxes and perches that permit hens to better express natural behaviors. Cage-free, free-range and similar systems, as well as operations with fewer than 3,000 laying hens, will be unaffected by the legislation.

In the absence of a national standard, interstate commerce in eggs will be increasingly threatened by state statutes – several already on the books, others likely to follow through ballot initiatives – that seek to regulate not only production practices within the state, but the trade in eggs produced in other states. Since the standards already enacted are not consistent with each other, and future standards are likely to be similarly varied, the implications for producer costs, consumer prices, steady availability of egg supplies, and the future of family-owned egg farms are severe.

By contrast, a national production standard will not only create a single production guideline that is fair to all producers, but will also enhance the welfare of laying hens in every state – not just those that have enacted their own standards. This is an opportunity for Congress to ratify an agreement that has the support of all the major stakeholders, and is good for the egg industry, good for jobs, good for animal welfare, good for consumers, and good for science. We urge you to support and cosponsor S. 3239 and urge its swift passage by the Senate.

Sincerely,

National Organizations

United Egg Producers
The Humane Society of the United States
American Veterinary Medical Association
Association of Avian Veterinarians
American Association of Avian Pathologists
Humane Society Veterinary Medical Association
American Society for the Prevention of Cruelty to Animals
National Federation of Humane Societies
Consumer Federation of America
National Consumers League
Compassion in World Farming

World Society for the Protection of Animals
 Humane League
 Compassion Over Killing
 Mercy for Animals
 Farm Sanctuary
 In Defense of Animals
 Animal Legal Defense Fund
 Center for Food Safety
 Center for Science in the Public Interest
 Humane Society Legislative Fund

State & Regional Egg Farmer & Agricultural Groups

Arkansas Egg Council
 Association of California Egg Farmers
 Colorado Egg Producers Association
 Florida Poultry Federation
 Georgia Egg Association
 Michigan Allied Poultry Industries
 New England Brown Egg Council
 North Carolina Egg Association
 Ohio Egg Processors Association
 Michigan Agri-Business Association
 Rocky Mountain Farmers Union

State & Local Humane Societies

Animal Welfare Society (Maine)
 Oregon Humane Society
 Animal Humane Society (Minnesota)
 Humane Society of Charlotte (North Carolina)
 Humane Society of Berks County (Pennsylvania)
 SPCA Cincinnati (Ohio)
 Richmond SPCA (Virginia)
 SPCA for Monterey County (California)
 SPCA of Texas
 Sacramento SPCA (California)
 Washington Humane Society

Academic Officials

Dr. Jeffrey Armstrong, President, California Polytechnic State University

America's Editorial Boards on S. 3239 / H.R. 3798

Richmond Times-Dispatch: "The industry supports the change. The Humane Society supports it. The public supports it. The only question now is: Will Congress?"

Tallahassee Democrat: "One big reason the egg producers have signed on is a realization that one consistent federal regulation would be much easier to meet than a hodgepodge of state regulations....The U.S. House should back this amendment, and the Senate should get back on board. Just knowing that the animals that produce our food are being treated humanely might even make those deviled eggs taste a bit better."

Iowa City Press-Citizen: "The egg industry sees the new standards as better option than dealing with a host of inconsistent standards from state to state. And operations with fewer than 3,000 hens would be exempt from the new rules."

Kansas City Star: "In a welcome show of detente after years of conflict, the United Egg Producers and the Humane Society of the U.S. forged an agreement that would phase in larger cages and better treatment for egg-laying hens, as well as require labeling to inform consumers about the conditions in which a hen was raised....This opportunity for positive change may not come up again any time soon."

USA Today: "[T]here's hope for the hens because a strange thing happened on the way to the next skirmish. The activists and the industry reached a compromise, pending in Congress, that involves phasing in larger 'enriched cages,' with a percentage of the industry installing new cages every six years for the next 18 years."

Virginian-Pilot: "The bill is projected to cost taxpayers precisely \$0 and would effectively eliminate state regulations in favor of one federal standard....the legislation would, not insignificantly, make egg farming in America more humane. And that's reason enough to support it."

Newsday (N.Y.): "Once at loggerheads, the nation's egg producers have joined forces with the Humane Society of the United States to support sensible bipartisan legislation in Congress that would require the industry to adopt the 'enriched colony' system for caged birds over the next 15 years....Egg producers, who are backing the legislation to head off a potentially costly patchwork of state laws, say eggs are likely to remain affordable, since farmers will phase in the colony system as part of their normal investment cycle—and hens are healthier and more productive in such an environment."

The Olympian (Wash.): "The new standards are based on sound science. Chickens living in enriched environments experience lower mortality rates and higher production rates than chickens in tightly confined cages."

Chicago Tribune: "It's a small but important step, and it deserves to be enacted....The virtue of federal legislation is that it sets a minimum standard of care for animals while sparing responsible producers from the threat of being undercut on price by less scrupulous competitors."

Philadelphia Inquirer: "The congressional legislation that has resulted from this unusual alliance shows a good balance between real-world egg-production practices and the idealistic goal of free-range chicken farming.... Congress, though, has a clear mandate to act from the farmers who know best how they want their eggs done."

San Diego Union-Tribune: "This bill, H.R. 3798, deserves swift enactment. And the process by which it even got this far ought to be a model for politically warring factions everywhere."

New York Times: "It's well past time to create a national standard that promotes more humane conditions everywhere. Yet the American Farm Bureau Federation, a trade group for farmers, the National Pork Producers Council, and the National Cattlemen's Beef Association oppose the bill. They seem to fear that common sense and a humane regard for the well-being of farm animals will spread to their own industries."

Arizona Republic: "House Resolution 3798...is a compromise that responds to the concerns about animals with requirements that the egg producers can accept. In today's hyperpolarized world, that's not just a victory. It's an example of the way things should work."

Sacramento Bee, Modesto Bee and Merced (Calif.) Sun-Star: "Two former antagonists have come together to push for a national standard for the humane treatment of chickens raised for their eggs. The plan is a reasonable compromise and we hope they are successful in getting it through Congress — a place where too many people don't seem too interested in finding common ground these days."

Salem (Ore.) Statesman Journal and Green Bay (Wisc.) Press Gazette: "The legislation exemplifies how traditional adversaries can put aside their distrust and work together for each side's mutual benefit. As lead sponsor, Schrader deserves credit for his role on H.R. 3798. Congress should pass it. Soon."

Los Angeles Times: "A federal law is the only way to mandate uniform standards, and this smart and focused measure is supported by the United Egg Producers, which represents 88% of the nation's egg farmers. As legislation goes, it's a good egg."

The Oregonian: "It's no sure thing that Congress will approve the national standard; pig producers opposed to any national farm standards already are raising objections. But the agreement on laying hens is a fair compromise."

Albany (Ore.) Democrat Herald: "We know that animals feel discomfort and pain. We know that bad conditions can cause them great distress. Because the animals are in our power and helpless, we must avoid cruelty at all costs. Congress should pass the bill."

Harrisburg (Pa.) Patriot-News: "This is an important measure, especially in Pennsylvania, which is the third-largest egg producer in the country....This is not just about providing better conditions for chickens, although that is important. The changes also give consumers better information about the eggs they buy. Wording will specify how the animals that laid their eggs are kept—from caged hens to those that are free to roam."

Fredericksburg (Va.) Free Lance-Star: "Even most confirmed carnivores would agree that cruelty-free agricultural methods are preferable. Allowing hens a little room to spread their wings and places to perch, nest, and scratch seems pretty reasonable....The accord between the HSUS and the egg producers is something to crow about."

Clarksville (Tenn.) Leaf Chronicle: "Federal regulation of eggs and other agricultural products is not new. Most people in the egg industry want this updated legislation because it sets a uniform playing field for everyone instead of having states develop their own standards. Furthermore, evidence suggests that hens' egg production increases at farms that have installed the new cages."

Santa Rosa (Calif.) Press Democrat: "There also are significant political obstacles, starting with cattlemen and other livestock interests who oppose the bill. But the same organizations successfully challenged a California law governing slaughterhouses, arguing in court that federal standards should prevail. Fair enough, let the same approach extend to egg farms."

Tacoma (Wash.) News Tribune: "Compromise offered the best possible outcome. Federal rules would benefit all 280 million hens rather than just 6 million Washington cluckers. The egg industry would get a nationwide standard to live by rather than a hodgepodge of state laws, and voters won't have to make the call about how best to balance animal welfare and commerce. Would that more groups were able to settle their differences in such a way, without forcing the electorate into all-or-nothing scenarios that rarely come without major complications."

People and Egg-Laying Hen Populations

Passage of the "Egg Products Inspection Act Amendments 2012" is primarily about the free flow of eggs across state lines without conflicting laws to meet the needs of our customers. Here we try to compare the people population (U.S. Census Bureau 2011) against the egg-laying hen inventory for May 2012 as reported by USDA-NASS. Where there is an estimate for layers, it is UEP's estimate based on the fact that USDA does not report for those states. Based upon per capita consumption - approximately one (1) laying hen is needed to produce the number of eggs consumed annually by each person.

State	Million People Population	Million Egg-Laying Hen Population	Egg Surplus or Egg Deficit State
Alabama	4,803	1,528	Egg deficit
Arkansas	2,938	3,524	Egg surplus
Arizona	6,483	est. 5,000	Egg deficit
California	37,691	19,439	Major egg deficit
Colorado	5,117	4,023	Egg deficit
Connecticut	3,581	2,230	Egg deficit
Florida	19,057	8,204	Major egg deficit
Georgia	9,815	8,104	Egg deficit
Illinois	12,869	4,203	Major egg deficit
Indiana	6,517	23,134	Major egg surplus
Iowa	3,062	50,960	Major egg surplus
Maine	1,328	3,465	Egg surplus
Maryland	5,828	2,188	Egg deficit
Michigan	9,876	11,473	Egg surplus
Minnesota	5,345	9,738	Egg surplus
Mississippi	2,978	1,459	Egg deficit
Missouri	6,011	5,335	Egg deficit
Nebraska	1,843	9,116	Major egg surplus
New Jersey	8,821	est. 1,500	Major egg deficit
New York	19,465	4,228	Major egg deficit
North Carolina	9,656	5,747	Egg deficit
Ohio	11,545	27,093	Major egg surplus
Oregon	3,872	2,104	Egg deficit
Pennsylvania	12,743	22,761	Major egg surplus
South Carolina	4,679	2,969	Egg deficit
South Dakota	824	2,292	Egg surplus
Texas	25,675	14,629	Major egg deficit
Utah	2,817	3,561	Egg surplus

Virginia	8,097	1,096	Major egg deficit
Washington	6,830	6,720	Balanced
Wisconsin	5,712	4,250	Egg deficit
	265,878	265,573	

Report only includes states where there is believed to be at least one million or more laying hens.

The states in **Bold** are surplus egg producing states and need a free flow of eggs to the market.
Consumers in the other states need eggs from the surplus producing states.

Passage of H.R. 3798 and S.3239 is needed to assure all consumers have a choice of egg products and an adequate supply of affordable eggs.

QUESTIONS AND ANSWERS

JULY 26, 2012

Senate Committee on Agriculture, Nutrition & Forestry
Hearing on S. 3239 the Egg Products Inspection Act Amendments of 2012
Questions For The Record
November 19, 2012
Senator Dianne Feinstein

Senator John Thune

In your testimony you provide that in 2008 California voters passed Proposition 2, which created a requirement that laying hens be able to stretch their wings. You also stated that similar measures were put in place in Michigan, Arizona, Washington, Ohio and Oregon.

1) Do you believe without passage of S. 3239 that the egg producers and consumers in these six states will be disadvantaged by these state-imposed requirements, when compared to other states without these requirements?

Yes. The result of these individual state-level initiatives is a patchwork of standards that make it harder for egg producers to follow the rules of the road and to conduct interstate commerce.

Moreover, states are already starting to take advantage of the differences in regulations among the states, and producers in states with regulations will find themselves at a disadvantage when competing against producers in states that are unregulated. These unregulated eggs will flood many better regulated markets, effectively creating a race to the bottom in both price and quality for consumers and industry.

A single national standard is the only reasonable solution. It provides the necessary certainty for industry and meets the growing trend in consumer demand.

The egg industry came together with the Humane Society of the United States to bring this legislation to us and they have asked us to enact it. In doing so, egg producers have told us that they need some certainty regarding what the rules of the road will be nationwide so that they can continue growing, adding jobs, and providing safe, high quality eggs for all our tables.

And consumers deserve the ability to know how the food that they are purchasing was produced. The simple, easy to understand labeling system designed by this legislation will enhance consumers' power to make decisions about how they want the eggs on their table produced.

I encourage you to join us in supporting this legislation.

2) Is it your belief that just because six states out of 50 have passed restrictions on laying hens similar to those in S. 3239 that Congress should impose those same restrictions on egg producers in the other 44 states?

When an industry comes to Congress and describes a situation in which the lack of uniform, enforceable standards for the production of a commodity and its labeling hinders the trade of that commodity and the prospects of an industry, we have an obligation to listen.

The egg industry is at a critical juncture. It needs the ability to grow and expand, but currently has no certainty with which to make investments in the future of its producers. As I said in my testimony, why grow when the rules of the road might change and invalidate your investments? Why develop a new market, if that market might not be open to you in a few short years?

To combat this growing problem, the egg industry brought this legislation to us and petitioned us to enact it.

Consumers are also at a critical juncture. Today, more than ever, consumers care how their food was produced. McDonalds, Burger King, Costco, Safeway and other companies are already phasing in new humane handling requirements for the production of the food that they sell.

A single national standard just makes sense. This legislation would set minimum cage sizes nationwide, phased in over a reasonable time period. It also offers new protections for workers and hens by setting minimum air quality standards, requires that any euthanasia of hens be done humanely, and prohibits the starvation of hens to cause them to lay more eggs.

We have a chance now to enact a solution before damage is done, and to provide an important American industry the tools that it needs to grow and invest. I encourage you to join me in this important initiative.

Senate Committee on Agriculture, Nutrition & Forestry
Hearing on S. 3239 the Egg Products Inspection Act Amendments of 2012
Questions For The Record
July 26, 2012
Mr. Amon Baer

Chairwoman Debbie Stabenow

1) *In your testimony, you mentioned that a federal regulation regarding hen management could lead to similar on-farm standards for other species of livestock. But, many producers argue that eggs are regulated much differently than other animal products and that federal programs clearly differentiate between commodities. In your experience running a diversified farming operation, can you describe some of the differences between how distinct commodities are regulated? As both a pork and egg producer, how are the two commodities managed, marketed, and regulated differently?*

In the mid 1990's the EU began their regulatory process and mandating of production practices with laying hens only. That process of regulating on farm production practices now includes almost all major food animal species. I see no reason why the same thing will not occur in the U.S.

The president of the National Pork Producers Council stated on April 4, 2012 "If Congress approves the Schrader bill (HR 3798, or Senator Feinstein's bill S 3239), it will set a dangerous precedent in allowing the federal government to dictate how all livestock producers operate, down to and including how much space each animal is provided. In the end, all corners of animal agriculture could be affected, irreparably damaging the livelihoods of family farms across the country"

Because egg producers produce and market directly, egg producers are subject to more food safety requirements than a hog producer who sells primarily to a USDA inspected slaughter facility.

Senator John Thune

1) *Mr. Baer, why what sets you apart from your fellow egg producers on this panel who take an opposite viewpoint or your opposition to S. 3239 and support it?*

The sheer cost of implementing the changes already has some farmers saying they will simply get out of the business of producing eggs. Cost estimates range from \$20 to \$25 per bird depending on whether new barns need to be constructed to maintain the same number of layers.

The United Soybean Board did an economic impact study showing the cost of eggs increasing as a result of this legislation by 2.66 billion dollars. At a time when the nation's economy is suffering, enacting legislation that will increase the cost of food is not in the nation's best interest.

Two of the three testifying in support of the legislation are egg producers from states where voters or through negotiation with HSUS have been mandated to change production practices. Their testimony, if the bill were to pass, will be in their economic best interest. The third producer is the current chairman of United Egg Producers (UEP) and in that position his testimony is reflecting the majority decision of the board of directors of UEP, but not all of the directors.

I am opposed to allowing the voters of California or any other State the power to indirectly dictate the production practices in all 50 States. If California voters want to raise the cost of food for their consumers they are free to do so, but they should not then be allowed to impose those same higher costs on the rest of the country.

Furthermore, Rep. Steve King (IA) has introduced an amendment into the House Agriculture Committee's version of the Farm Bill that prohibits states from enacting legislation establishing production standards that restrict the movement of agricultural products produced in other states. His bill is entitled "Protecting Interstate Commerce Act of 2012" (PICA) and would effectively stop the use of ballot initiatives in forcing changes in agricultural production practices across state lines.

I am a relatively small independent egg producer. I market eggs regionally in MN, ND, and SD. I have personally spoken to all of my buyers to gauge their interests and their customers interests in animal welfare issues. We have had discussions on the enriched cage system, cage free systems, and organic production. In general the stores answers are that as long as their consumers are afforded choices and have access to cage free and organically produced eggs they want the balance of their egg supply at the lowest cost possible.

2) *If the Humane Society of the United States had not been pressuring the poultry industry to make the changes provided in S. 3239, do you think the poultry industry would have made them on your own?*

In my opinion, the egg production industry would not have chosen to make the changes required in S.3239 without the pressure being applied by the HSUS. These types of changes should be driven by the market place. If a buyer came to me and asked me to produce eggs under the prescribed standards of S. 3239 I would be happy to give that buyer a quote based on the increased cost of production.

Senate Committee on Agriculture, Nutrition & Forestry
Hearing on S. 3239 the Egg Products Inspection Act Amendments of 2012
Questions For The Record
July 26, 2012
Mr. Eric Benson

Chairwoman Debbie Stabenow

- 1) S. 3239 would require producers to adopt the new enriched colony systems within 18 years. What is the depreciation schedule on traditional hen cages? What provisions are included in this bill to make transition compatible with normal business decisions?

Eric Benson: There are at least two standards for the depreciation of traditional hen houses. Federal Tax Depreciation under the current (soon to expire) tax rules we can deduct 50% of the complete cost of all buildings and equipment in the current tax year and the balance for the equipment over 7 years, and the buildings over 10 years.

Generally accepted accounting principles as well as actual useful life appears to be about 20 years for equipment, and about 30 year for the building, depending on a lot of factors, including economic life and the tendency of this equipment to become less efficient over time.

Our industry has a LOT of older equipment, with less efficient production. Most of that equipment would benefit immensely from the upgrades we are talking about in the bill. Provisions in the bill allow for upgrades over the next 18 years, and essentially would require that new and replacement buildings comply. As time goes on, it is J.S. West's belief that most farmers will see a large and immediate benefit over aged housing that would naturally be an incentive to replace equipment, even though the upfront capital costs would be somewhat higher. This I believe is a big, hidden benefit to the way this bill is framed. It will happen naturally, for business efficiency purposes.

- 2) Thank you for sharing your experience with these new enriched colony cages on your farm. Undoubtedly, there was a certain amount of risk associated with the decision to upgrade. But, you have described what seems to be an economic benefit with increased performance by your hens. How did you arrive at the business decision to adopt this new system? Can you describe the risk-and-reward you've experienced with the upgrade?

Eric Benson: We took a big risk to upgrade our housing here at J.S. West in the belief that the uncertainty in the market place was an opportunity for our family to forge a path and take a direction for the betterment of our business and the industry in general. We did it also because we believe in the egg business, and hoped that the production from the last two years could be marketed profitably before Proposition 2 in California comes into effect on January 1, 2015. As a 103 year old company, we know one of the keys to our long term success is to continuously look for ways to innovate and improve and our practices.

Overall hen performance has increased, but not in a huge way, and has been somewhat offset by increased feed consumption. We also have learned that it takes a while to be certain that changes such as this make a difference, especially since the advantages so far are small over new traditional caged housing (which we have NOT built). These houses certainly are head and shoulders better than existing

20 year old housing at similar ranches. These new house systems are also much better than even 5 year old "deep pit" housing, with the attendant rodent, manure and fly issues.

Our experience with this housing has been a success so far in that there have been no large unexpected negatives, and that the hens seem to do well in the newer enclosures and there has been reduced mortality. There has been no additional disease risk, and the behavioral changes have had very few negative economic consequences. We have found that this type of housing does also confirm scientists' opinions of optimal animal welfare.

However, at this stage of production and marketing, trying to get consumers to give additional value and margin for this type of production has so far been disappointing (we sell about 15% of the new production at a premium of 10 cents per dozen). We believe that this will change as marketing efforts and production capability increase. Consumers simply expect that farmers are caring for their animals, which we do.

Senator John Thune

- 1) Have you calculated the additional cost to your operation of increasing cage sizes to meet the requirements of S. 3239?

Eric Benson: Yes, we believe that the additional capital costs will comprise the largest portion of the increased cost for us. This is basically an increase over time of 124 square inches over 67 square inches more (1.85 times the capital cost per hen).

In total dollars, we have estimated that J.S. West will have to invest about 32 million dollars over a period of many years to build and upgrade housing (a significant investment for our family).

We calculate that for a particular new house this will be in the neighborhood of 6-9 cents per dozen. Of course, for the entire 18 year period, for the industry as a whole, I refer you to the Agralytica study (attached as PDF) which estimates a macro cost averaging 1.5 cents per dozen over the whole period, ending in a 9.2 cent per dozen cost increase in year 18.

- 2) If the Humane Society of the United States had not been pressuring the poultry industry to make the changes provided in S. 3239, do you think the poultry industry would have made them on your own?

Eric Benson: This is a hypothetical question for which there is no clear answer. I believe that the pressure that you speak of is from consumers and society in general (only articulated by HSUS), and that the alternative to this kind of national deal is much worse for the industry and for the American Consumer. Without this national effort; state by state and product by product standards will result in an extremely disruptive and greatly more expensive situation versus the solution we are supporting here.

As an example, look at the unbelievable speed with which "lean finely textured beef" and "boneless lean beef trimmings" were eliminated from the food supply by consumer preference in March of 2012. This kind of disruption costs jobs and increases costs for consumers. The planned obsolescence of pink slime

would have been much more efficient, and alternatives could have been found and implemented by industry (with government support). An industry by the way which could have portrayed itself as listening to its consumers and following societal trends instead of being dragged kicking and screaming into the current day, as certain pork and beef companies are behaving today.

From our family perspective, we were “woke up” in 2008 when it was made perfectly clear to us with Proposition 2 in California that change was in the wind, and that our choice was to lead or die.

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I want to thank the Committee for the time and questions, it is a privilege and an honor to give this testimony, and I hope you will rely on us and our industry when the Committee has questions and needs input on legislation that affects us and the American Consumer.

Respectfully Submitted,

Eric Benson
President & CEO
J. S. West Milling Company

Senate Committee on Agriculture, Nutrition & Forestry
Hearing on S. 3239 the Egg Products Inspection Act Amendments of 2012
Questions For The Record
July 26, 2012
Mr. Greg Herbruck

Chairwoman Debbie Stabenow

- 1) Your family's farm has a strong reputation of responding to consumer demand while providing a reliable supply of eggs to your retail customers. We've heard about how a patchwork of different state regulations make management decisions difficult for producers, but can you explain how that situation will affect the companies that distribute eggs to different states?

Most commercial egg producers do sell to customers in multiple states, so they would have to comply with different, inconsistent standards in various states. Without a national standard, we expect the number of such state standards to grow. Some states may mandate cage-free production, others a particular size requirement as Michigan has done.

Producers will be disadvantaged in several ways. For people like us who live in a state with its own standard, we will be at a cost disadvantage compared to producers in states without similar standards. For those who sell into several different states, they will have to establish their production facilities so as to meet the standards of all these states. For most producers, this will be cost-prohibitive and logistically impossible. Production may further consolidate among the very largest producers. Because of the interstate trade barriers, eggs are likely to be less available and more expensive for consumers in some parts of the country.

Senator John Thune

- 1) Have you calculated the additional cost to your operation of increasing cage sizes to meet the requirements of S. 3239?

Our expectations are similar to the conclusions in the Agralytica study. Buildings and equipment wear out and must be periodically replaced. That represents an additional capital investment, regardless of whether there is national legislation or not. Under S. 3239, producers have as much as 18 years to fully make a transition. This means that although there will be incremental additional costs of converting to enriched colony housing, these costs will be relatively modest compared to existing investment requirements. According to cage manufacturers, as much as 80% of new equipment purchases consist of cages that can be enriched. Therefore, much of the incremental cost is already being incurred, because producers know that the status quo of conventional cages is not an option for the long term.

- 2) If the Humane Society of the United States had not been pressuring the poultry industry to make the changes provided in S. 3239, do you think the poultry industry would have made them on your own?

It is hard to separate the efforts of one particular group from developments in society as a whole. For example, HSUS certainly supported California's Proposition 2, but that measure passed by 2-1 despite high-profile campaigns on both sides of the issue. The pressure on our industry does not just come from a particular group but from society's changing expectations about how food is produced. And, egg producers are constantly striving to improve hen housing to offer the best living system to meet the hen's needs and ultimately maximize returns to the capital investment. This can be through technology improvements or design enhancements with the common goal of improving productive measures: eggs/bird, lower death loss, and better feed conversion to name a few.

The industry cannot, however, make the necessary changes on its own, because we cannot create a national standard that precludes the danger of future ballot initiatives. Without a national standard like that in S. 3239, I as a producer am at the mercy of the next activist group that qualifies a ballot initiative in a state where I do not even live, but where I sell eggs. Producers cannot live with this kind of state-by-state attrition.

Respectfully submitted,

Greg Herbruck



Senate Committee on Agriculture, Nutrition & Forestry
Hearing on S. 3239 the Egg Products Inspection Act Amendments of 2012
Questions For The Record
July 26, 2012
Mr. David Lathem

Chairwoman Debbie Stabenow

1) The European Union transitioned to enriched colony cages and began enforcement on January 1st of this year. Europe has seen market disruption with the new enriched cage standards and there are reports of noncompliance in member states. You mentioned that the absence of a single national standard could lead to that situation here. What provisions are included in S. 3239 to prevent the supply shortages and price increases that the EU experienced?

Unlike Europe, which had a single compliance date, we have a phased-in, tiered approach with periodic benchmarks and performance measures which will ensure that we will not have supply disruptions and price spikes. Over the next 15-18 years, every 3 years the number of square inches per bird will be increased. This is to ensure no disruption in supply. In fact, those who see the EU's experience as a reason not to enact S. 3239 are drawing exactly the wrong lesson. The disruption in Europe is similar to what could well happen in the United States if S. 3239 is *not* passed. In 2015, California will require all eggs produced in other states but sold in California (about 40% of total supply in that state) to comply with onerous and still-undefined space requirements because of the 2008 "Proposition 2" ballot measure. The result could well be shortages and price spikes in California if other states do not adopt that state's regulations, as they are likely not to do, since then their eggs would not be permitted to enter California commerce, and there is not enough production within the state to meet consumer demand.

2) There is some concern that these proposed cage requirements may lead to an increase in the price of eggs on consumers and nutrition assistance programs that include eggs, such as WIC. What kind of price fluctuation might we expect, and what is the normal price fluctuations that we could expect to see over the next 18 years? How would that compare to price variations brought about by differing state standards?

Based on a study by Agralytica, the average increase in cost over the next 18 years should be 1.5¢ per dozen. After all birds are housed in enriched cages at 124 square inches per bird we expect the extra cost to be 9¢ per dozen or approximately 5% of the cost of a dozen eggs. Over the last 12 months the egg market has been as low as 90¢ and as high as \$1.70. We should expect to see those same price fluctuations in the future due to supply and demand, feed costs and other factors. The Agralytica study compared S. 3239 to a projection of the status quo. This kind of baseline comparison is standard and appropriate in economic analysis, but in my view it profoundly understates the changes in state law that we are likely to see in the next few years if there is no federal production standard. A number of additional states are likely to pass ballot initiatives, most of which will require cage-free production, not enriched cages. A cage-free mandate would drastically increase consumer costs. Thus, in my opinion, consumer prices in the United States are likely to be substantially higher if S. 3239 does *not* pass, than if it does.

3) Some groups feel that the enriched colony cages do not do enough for hen welfare. What are the benefits to housing birds in cages? In addition to hen well-being, is there a human benefit in terms of food safety or biosecurity?

Housing birds in cages means less disease due to hens not being in contact with their own feces, cleaner eggs that promote better food safety, a decreased carbon footprint due to lower amounts of feed being used to produce a dozen eggs, protection from predators, and also improved biosecurity.

4) Some oppose S. 3239 because it creates a federal regulation regarding hen management, so other livestock species believe they will also see increased on-farm standards. But, eggs are regulated much differently than other animal products. Can you describe some of the differences?

Eggs have always been regulated differently from other animal products. The Food and Drug Administration has on-farm safety authority for our farms, but not for beef, pork or turkey operations. USDA has civil penalty authority for eggs, but not for other livestock species. By contrast, USDA Packers and Stockyards Act applies to beef, pork, and broilers, but not to eggs. Unlike other animal products, the egg industry is regulated for food safety by two different Cabinet departments (FDA has oversight of shell eggs, FSIS oversees processed egg products). As a general matter, both Congress and regulatory agencies have frequently developed policies that are specific to a single animal product, but not applicable more broadly. Perhaps the best example is price supports, which are offered for dairy, wool and mohair, but have never been seriously considered for beef, pork, poultry or eggs.

Ranking Member Pat Roberts

1) When Europe implemented similar legislation in January of this year, after a 13-year phase-in, egg supplies plummeted 20 percent and egg prices soared 55 percent. Given the EU situation, do you still believe that this legislation is the best all-around solution for animal welfare, the U.S. egg supply, and consumers? Can you explain how egg shortages and high prices are good for industry economics and for U.S. consumers?

Unlike Europe, which had a single compliance date, we have a phased-in, tiered approach with periodic benchmarks and performance measures which will ensure that we will not have supply disruptions and price spikes. Over the next 15-18 years, every 3 years the number of square inches per bird will be increased. This is to ensure no disruption in supply. In fact, those who see the EU's experience as a reason not to enact S. 3239 are drawing exactly the wrong lesson. The disruption in Europe is similar to what could well happen in the United States if H.R. 3798 is *not* passed. In 2015, California will require all eggs produced in other states but sold in California (about 40% of total supply in that state) to comply with onerous and still-undefined space requirements because of the 2008 "Proposition 2" ballot measure. The result could well be shortages and price spikes in California if other states do not adopt that state's regulations, as they are likely not to do, since then their eggs would not be permitted to enter California commerce, and there is not enough production within the state to meet consumer demand.

2) You stated in your oral testimony that the HSUS-UEP agreement establishing cage sizes was based on public opinion.

a) From a public policy perspective, do you think it is wise that we charge Congress with writing on-farm animal care provisions into law?

My opinion on this question applies solely to egg farming, since that is what my family and I do for a living. Yes, I believe Congress should write egg standards into law, because the alternative is a patchwork of inconsistent state laws that will render interstate commerce increasingly difficult. The HSUS-UEP agreement does respond to growing consumer concern about how food is produced, but it is also true that the standards in the agreement have strong scientific support, as the endorsement of the American Veterinary Medical Association and other national veterinary groups attests.

b) Assuming this bill becomes law, and if public opinion regarding cage sizes changes, and 124 square inches is no longer acceptable to the public or consumer, will you be before Congress requesting a change in the law?

We believe this legislation takes into account both the long-term needs of our industry and the values of our ultimate consumers, and do not anticipate requesting changes, should the bill be enacted.

c) If there are advances in animal welfare science, it will take an act of Congress to change the mandates. Why would the industry and animal welfare advocates want to eliminate the flexibility to adapt to scientific advancements?

Obviously, any statute enacted by Congress can be changed by Congress if a majority of legislators believe that is justified, whether by scientific advances or other factors. However, the problem we face immediately is that without this legislation, many farmers will be put out of business. We do not think it is unreasonable for us as a farm organization to ask Congress to take action that will help us pass on our farms to the next generation. Congress has repeatedly done that for wheat, grain sorghum, corn, soybeans, dairy and many other commodities.

3) Last summer, USDA released a Laying Hen Welfare Fact Sheet, in which they conclude, "Hens can experience stress in all housing types, and no single housing system gets high scores on all welfare parameters. Likewise, no single breed of laying hen is perfectly adapted to all types of housing systems. Additionally, management of each system has a profound impact on the welfare of the birds in that system, thus even a housing system that is considered to be superior relative to hen welfare, can have a negative impact on welfare if poorly managed. The right combination of housing system, breed, rearing conditions and management is essential to optimize hen welfare and productivity."

a) Based on USDA's determination, hens can face stress in any housing system and the key to healthy hens is a farmer's management practices. If science tells us there are pros and cons to all types of housing systems, shouldn't we be focused on helping our farmers perfect their management practices?

There will always be people issues as long as there are people involved regardless of what business you are in. Having a well thought out environment with enriched cages should always serve hen welfare better than an inferior system.

b) Is there anything in this bill that encourages training or education for farmers on how to best manage their birds? If so, are these standards already included under UEP's human certification program?

The bill itself generally establishes standards. However, the UEP Certified Program will continue and our industry has always worked cooperatively on matters like training and education. We anticipate that will continue.

Senator John Thune

1) Mr. Lathem, you provide in your testimony that S. 3239 is not a pork bill, not a beef bill, but an egg bill.

2) I would like you to expand on the explanation in your testimony as to how you can be so certain that this legislation will not impact the pork and beef industry?

First, without industry support, no bill establishing animal welfare standards would have much chance of passage. Considering the vocal opposition to our bill from other groups, even with overwhelming support within the egg industry, imagine the fate of our bill if our industry did *not* support it. Similarly, if a bill were introduced to establish standards for beef, pork or any other animal product whose producers were in opposition, it would stand very little chance of passage.

Those who assert that an egg bill must inevitably lead to a pork or beef bill are asserting that when Congress legislates something for one commodity, it will always legislate the same thing for every commodity. But experience shows that to be untrue. You have passed laws that provide income and price support for grains and oilseeds, but not fruits and vegetables. You support prices for milk, but not for beef, pork, poultry or eggs. The fact is that the Agriculture Committees have a long history of considering each commodity separately, and are able to evaluate the needs of different producers without imposing one-size-fits-all solutions. Why would your Committee be unable to do so in this case?

3) Aren't pork producers already being pressured to expand the size of gestation crates?

There undoubtedly is such pressure, notably from large corporate and food-service customers in response to consumer concerns. That pressure existed before S. 3239 was introduced, it exists now, and it will exist whether S. 3239 passes or fails. We are not in a position to judge the merits of the debate over gestation crates. However, the controversy does show that refusing to acknowledge that animal welfare is an issue for some consumers and customers may be short-sighted. The approach we have taken in S. 3239 is to recognize that today's consumers do care about how their food is produced, and promote standards that will be phased in over a realistic period of time, so that our farms can make investments in a gradual, sustainable fashion.

