

# State of Vermont House of Representatives



Montpelier, Vermont

## Joint House Resolution

J.R.H. 19

Joint resolution urging President Joseph Biden to continue, and to intensify, his administration's antitrust efforts against the meatpacking and gasoline industries and urging Governor Philip Scott to make a similar request of the President

Offered by: Representative Mrowicki of Putney

Whereas, large increases in the price of meat and gasoline were major contributors to the nation's 2021 7.0 percent inflation rate, the largest annual increase since the early 1980s, and

Whereas, in November 2021, meat prices were 16 percent higher overall than in November 2020, and, between November 2020 and December 2021, the average price per gallon of gasoline rose from \$2.09 to \$3.29, or 58.1 percent, representing the largest such increase for gasoline since 1980, and

Whereas, in April 2019, the Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America and several cattle producers filed a class action lawsuit against the nation's four largest meatpackers, Tyson Foods, JBS USA Food Company, Cargill, and National Beef Packing Company, alleging that the defendants had conspired to suppress the price of fed cattle purchased in the United States and increase the price of beef, and, in September 2021, the U.S. District Court for the District of Minnesota substantially denied the defendants' motion to dismiss the case against them, and

Whereas, in May 2020, 11 midwestern and western state attorneys general wrote a letter to then U.S. Attorney General William Barr expressing their "concerns regarding market concentration and potential anticompetitive practices by the meat packers in the cattle industry," and

Whereas, in June 2021, a bipartisan group of more than two dozen U.S. Senators wrote to current U.S. Attorney General Merrick Garland expressing concern that major meatpackers were engaged in price-fixing, stating that "the anticompetitive practices occurring in the industry today are unambiguous," and urging the Justice Department to "take decisive action," and

Whereas, in July 2021, President Biden issued an Executive Order entitled *Promoting Competition in the American Economy*, which addressed multiple facets of price competition, including those in the meatpacking industry, and

Whereas, the Executive Order directed the U.S. Department of Agriculture "to consider initiating a rulemaking or rulemakings under the Packers and Stockyards Act to strengthen the Department of Agriculture's regulations concerning unfair, unjustly discriminatory, or deceptive practices," with respect to the livestock, meat, and poultry industries, and

Whereas, the Department has yet to release any proposed rules, and

Whereas, in December 2021, the National Economic Council accused the largest meat processors of price gouging to pad profits, noting that recent data released by four of the nation's largest meat-processing companies showed that their gross margins have increased 50 percent, and their net margins more than 300 percent, since the pandemic began, and

Whereas, in November 2021, President Biden requested that the Federal Trade Commission (FTC) investigate anti-competitive activity by oil and gas companies in the setting of retail gasoline prices and "whether illegal conduct is costing families at the [gas] pump," and

Whereas, the FTC is now subjecting more proposed oil and gas sector mergers and acquisitions to "second requests," which is a more rigorous investigation process that is triggered by FTC concerns that a proposed merger or acquisition may reduce competition or otherwise violate antitrust laws, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly urges President Joseph Biden to continue, and to intensify, his administration's antitrust efforts against the meatpacking and gasoline industries and urges Governor Philip Scott to make a similar request of the President, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to Governor Philip Scott, President Joseph Biden, Federal Trade Commission Chair Lina Khan, and the Vermont Congressional Delegation.