### Lori Stevermer Bio

National Pork Producers Council President *Customer Success Manager, Alltech U.S. Pork Business* 

Lori Stevermer and her husband Dale raise pigs and crops near Easton, Minnesota and have three adult children: Brett, and his wife Tressa, Adam and Beth.



Additionally, Lori is the Customer Success Manager for Alltech's U.S. Pork Business, having spent her time in sales and marketing in the animal nutrition business for over 30 years.

Lori currently serves as President on the National Pork Producer Council's Executive Board. Her previous experience includes nine years on the Executive Board of the Minnesota Pork Producers Association including two years as President and various state and national committees.

Lori is a graduate of the University of Minnesota with a bachelor's degree in animal science.

Lori enjoys advocating for the swine industry at local, state and national events. Her favorite MN Pork volunteer events include Oink Outings, Grandma's Marathon in Duluth and the MN State Fair. Lori's interests include running, biking and spending time with her family.

# **Truth in Testimony Disclosure Form**

In accordance with Rule XI, clause  $2(g)(5)^*$  of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee: Agriculture
Subcommittee: Livestock, Dairy, and Poultry
Hearing Date: 03/04/2025
Hearing Title :
The State of the Livestock Industry: Producer Perspectives
Witness Name: Lori Stevermer
Position/Title: President, National Pork Producers Council
Witness Type: O Governmental   Non-governmental
Are you representing yourself or an organization? O Self • Organization
If you are representing an organization, please list what entity or entities you are representing:
National Pork Producers Council

#### FOR WITNESSES APPEARING IN A NON-GOVERNMENTAL CAPACITY

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

Are you a fiduciary—including, but not limited to, a director, officer, advisor, or resident agent—of any organization or entity that has an interest in the subject matter of the hearing? If so, please list the name of the organization(s) or entities.

Trails End Farm (Easton, MN)

Please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing's subject matter that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the source and amount of each grant or contract.

USDA - Rural Energy for America Program - \$83,342 USDA - Climate Smart Grant Program - \$4,600

Please list any contracts, grants, or payments originating with a foreign government and related to the hearing's subject that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the amount and country of origin of each contract or payment.

None

#### Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

I have attached a written statement of proposed testimony.

☑ I have attached my curriculum vitae or biography.

\* Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides:

(5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include— (i) a curriculum vitae; (ii) a disclosure of any Federal grants or contracts, or contracts, grants, or payments originating with a foreign government, received during the past 36 months by the witness or by an entity represented by the witness and related to the subject matter of the hearing; and (iii) a disclosure of whether the witness is a fiduciary (including, but not limited to, a director, officer, advisor, or resident agent) of any organization or entity that has an interest in the subject matter of the hearing.

(C) The disclosure referred to in subdivision (B)(ii) shall include— (i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form 24 hours before the witness appears to the extent practicable, but not later than one day after the witness appears.

Testimony of Lori Stevermer President, National Pork Producers Council

"The State of the Livestock Industry: Producer Perspectives"

United States House Agriculture Subcommittee on Livestock, Dairy, and Poultry

March 4, 2025

#### **Introduction**

The National Pork Producers Council (NPPC), representing 42 affiliated state associations, works to ensure the U.S. pork industry remains a consistent and responsible supplier of highquality pork and pork products to domestic and international markets. Through public policy outreach, NPPC supports reasonable legislation and regulations, develops revenue and market opportunities, and protects the livelihoods of more than 60,000 pork producers across America.

The U.S. pork industry serves as a major contributor to both the agricultural and overall U.S. economy while providing a range of products that are both a staple of daily meals and the centerpiece of family celebrations. In 2023, U.S. pork producers marketed more than 149 million hogs valued at over \$27 billion, while supporting more than 573,000 U.S. jobs and supplying consumers with nutritional products that are raised safely and humanely. The U.S. is also a global supplier of pork, with exports accounting for nearly a quarter of annual pork production and supporting more than 140,000 U.S. jobs.

To produce those hogs, pork producers used roughly 1.7 billion bushels of corn and the soybean meal from 462 million bushels of soybeans in 2023. They also used roughly 40 billion pounds of other feed ingredients, including distillers dried grains with solubles (DDGS), a major by-product of corn ethanol production.

The successes in our industry are particularly impressive given the challenges our farmers face. Pork producers are striving, throughout ongoing difficult times, to ensure safe and nutritious food reaches American tables, and we do so amid market access constraints, employment shortages, and looming threats of foreign animal diseases.

This remains a very challenging time for the U.S. pork industry. From September 2022 to March 2024, pork producers lost an average of nearly \$30 on each hog sold, according to estimates from Iowa State University. These substantial economic impacts have been widely felt. Since then, some production costs have declined, and hog prices have shown some improvement, but many farms have not yet recovered financially from the worst period of losses in the pork industry's history. This continues to affect the pork industry and would lead to greater consolidation if economic realities force producers to exit the industry.

On top of concerns about strained markets and profitability, pork producers are experiencing impacts from state regulation in California that has created nonsensical outcomes. NPPC led a broad and deep coalition across agriculture that challenged the California regulation, known as Proposition 12, in the federal courts. The U.S. Supreme Court, in declining to decide in our favor, pointed pork producers to seek redress in Congress, and producers are actively engaged to educate Members on the critical nature of this issue. The implications of the California regulations, fracturing our national market. Meeting arbitrary requirements of the California regulation and similar – yet conflicting – regulations already in the works in other states, means higher costs and fewer choices for consumers across the country, as well as immediate harm to agriculture and farm families. We stand with farmers and consumers across the country, grateful to have the support of both President Trump's and former President Biden's administrations in clearly and decisively

opposing the patchwork of arbitrary farming overregulation, like Proposition 12. We will continue to work to sustain the broad and bipartisan support – from coast to coast, both from within and from outside of the agricultural sector – to provide a commonsense resolution. We look forward to working constructively to enact a reasonable solution in the reauthorization of the long-delayed 2018 Farm Bill.

NPPC also looks forward to continuing work with this Committee in the Farm Bill reauthorization to ensure there is appropriate, adequate, and vital funding to ensure animal health across species. The growing threat of foreign animal disease is of particular concern, and farmers need tools to prevent and rapidly respond to an outbreak.

We provide more detailed information about these and other critical topics and issues below.

# California Proposition 12: A Concern For Anyone Who Eats

California Proposition 12, opposed by both Presidents Trump and Biden, is harming family farmers and consumers across the country by forcing pork producers to comply with one state's arbitrary production standards that limit market access, induce consolidation, and leave consumers with a higher price for pork.

Developed without input from pork producers, veterinarians, or experts in animal welfare or food safety, Proposition 12 prohibits the sale of uncooked whole pork meat not produced to the law's arbitrary housing dimensions. Compliance requires many producers to completely change how they raise their pigs. The regulation stands as a shining example of inexplicable rule-setting, understandable only in context of the ongoing efforts by the rule's proponents to limit availability and consumption of animal protein for Americans.

One example of the regulation's folly is that a typical package of uncooked bacon – a beloved product purchased and enjoyed by millions of Americans every week – is, under the California rule, illegal to be sold in California if it comes from a pig raised on any farm across the nation that does not follow California's arbitrary, unscientific regulations. Violations risk criminal penalties. However, if that same bacon from that same farm and that same pig is, first cooked and packaged prior to sale (such as is seen in a typical package of microwave bacon), the bacon is then deemed legal in California.

Again – and to underscore – farmers across America are impacted by this arbitrary approach that regulates the *same cuts of pork* that come from the *same farm* and from the *same pig*. It defies all common sense. Then, to ensure compliance, those pork producers across the country are subject to on-farm visits by California regulators – and must pay for those visits, no matter the size, scope, or setting of the farm.

This sets a concerning precedent that allows one large state to effectively regulate agriculture and farming in the other states thousands of miles away, an outcome with broad implications for interstate commerce. Secretary of Agriculture, Brooke Rollins, has voiced an immediate understanding of the negative impacts – not just on farming, but also on the cost of food, a top concern of many Americans. During her confirmation hearing, Rollins committed to working

with Congress to address the problems caused by Prop. 12, saying it "...is not just affecting California. It's affecting multitudes of other states, multitudes of other parts of the ag community, including our hog family farms." Her predecessor, former Secretary of Agriculture Tom Vilsack had reached the same conclusions in urging Congress to act, stating, "If we don't take this issue [Proposition 12] seriously, we're going to have chaos in the marketplace."

Created through an arbitrary state referendum in 2018, this extreme overregulation does not equate to better health or welfare for pigs. In fact, the American Veterinary Medical Association wrote to this Committee, "The arbitrary housing requirements in Prop 12 do not objectively improve animal welfare and may unintentionally cause harm."

Constructing compliant barns costs producers 40-43% more than widely accepted gestation stalls and 22-25% more than a conventional method of "group" housing with the same number of sows. While some large farms have access to capital to amortize and absorb the cost burden, small farmers with limited access to capital cannot. Moreover, the farms that undertake the efforts to comply experience losses in productivity, which exacerbate the challenges created by the costs associated with increasing square footage to meet the arbitrary California rule. The cost and production disadvantages of Proposition 12 are clear – and dangerous.

The burden extends to consumers and trading partners as well. A 2024 report by economists with USDA's Office of the Chief Economist found that after Proposition 12 was implemented, prices for covered pork products in California increased 20% on average, with pork loins increasing as much as 41%. This harms not only lower-income households but also all families struggling with inflation and increasing food costs. The California standard applies to any farm with a desire to sell products in the state, including from neighboring countries. A state-based regulation with a clear international reach such as this, created outside of normal and customary international negotiation and agreement, puts all of American agriculture in a vulnerable position, as it provides the pathway for any nation to impose its own production standards. The implications are broad particularly as it relates to the Import-Export Clause of the United States Constitution.

We are grateful House Agriculture Committee Chairman Thompson addressed Proposition 12 through Sec. 12007 of the Farm, Food, and National Security Act of 2024 and for Secretary Rollins' commitment to working with this committee on the issue. The Supreme Court was clear: Congress must act to address this issue for agriculture. We cannot continue to have states set arbitrary standards on production in other states, and we look forward to assisting in your efforts to address this issue.

#### Foreign Animal Disease (FAD) Prevention

Pork producers are facing an increasing threat from foreign animal diseases (FADs) such as African swine fever (ASF). To combat this, U.S. farmers collaborate with the U.S. Department of Agriculture's (USDA) Animal and Plant Health Inspection Service (APHIS), state animal health officials, and other stakeholders. Together, they work to ensure early detection, prevention, and rapid response tools are available to address any outbreak. This includes a strong laboratory network for surveillance and a stockpile of vaccines to quickly respond to high-consequence diseases. If an FAD, like foot-and-mouth disease (FMD), were to be detected in the U.S., it

would devastate not only pork producers but also cattle, sheep, and feed grain producers. It would lead to significant job losses due to disruptions in domestic production and the loss of export markets.

The 2018 Farm Bill funded Animal Disease Prevention and Management actions to address FAD risks, and NPPC urges continued funding for these critically important programs, specifically:

- National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB): Established in the 2018 Farm Bill, this U.S.-only vaccine bank allows USDA to stockpile animal vaccines, diagnostic test kits, and related products for rapid response in the event of an outbreak of FMD or other high-impact FAD. It is imperative the NAVVCB is well funded in the event that vaccines for other high-consequence FADs, such as ASF, become viable.
- National Animal Health Laboratory Network (NAHLN): The NAHLN is a network of over 60 laboratories that collaborates with the National Veterinary Services Laboratories (NVSL) on disease monitoring. Should an FAD strike, determining the extent of the outbreak as rapidly as possible plays a key role in responding to a disease and limiting the impact on producers. The laboratory capacity of the NAHLN is critical to ensuring the United States can rapidly and effectively respond to an outbreak. Enhancing animal health diagnostic testing for both endemic and high-consequence pathogens in the nation's livestock and poultry is vital to protecting animal health, public health, and the nation's food supply.
- National Animal Disease Preparedness and Response Program (NADPRP): This program allows APHIS to collaborate with animal health partners nationwide to implement high-value projects that enhance prevention, preparedness, detection, and response to the most damaging and emerging FADs that threaten U.S. agriculture. Cooperative or interagency agreements between APHIS and states, universities, livestock producer organizations, tribal organizations, land-grant universities, and other eligible entities are vital to addressing the risk of animal pests and diseases.
- National Veterinary Stockpile (NVS): The NVS provides veterinary countermeasures (animal vaccines, antivirals, or therapeutic products, supplies, equipment, personal protective equipment, and response support services) that states, tribes, and territories need to respond to animal disease outbreaks. Depopulation is a key component of any FAD control effort, and adequate euthanasia equipment is critical to its success. Also essential is sampling and vaccination equipment. The NVS should be well-supplied to step in if a large-scale outbreak requires resources beyond what states, tribes, or territories may have.

Several other measures to prevent foreign animal diseases from entering the United States have been enormously successful, and farmers would benefit from them being continued, if not expanded.

- The Feral Swine Eradication and Control Pilot Program (FSCP) is a joint effort between USDA's Natural Resources Conservation Service and APHIS. Originally included in the 2018 Farm Bill, FSCP addresses the threat feral swine pose on agriculture, ecosystems, and animal health. Given feral swine's role in the worldwide ASF pandemic, funding for this program should be increased to reduce the risk of the potential spread of FADs, including ASF, in the United States.
- The Agricultural Quarantine and Inspection (AQI) Services User Fees Program, jointly administered by USDA and U.S. Customs and Border Protection, is crucial to keeping invasive plant and animal pests and diseases out of the United States. This critical program is funded through user fees collected by APHIS from international travelers and commercial traffic.

Unfortunately, APHIS lost its 30-year authority to collect a surcharge through certain fees because of a District of Columbia Circuit Court ruling. The loss of this longstanding authority to collect reserve funds destabilizes AQI funding and threatens the effectiveness of its programs. NPPC urges Congress to restore this fundamental user fee authority to APHIS.

**The Foundation for Food & Agriculture Research (FFAR)** was established in the 2014 Farm Bill to create public-private partnerships for agriculture research. The model supports animal and crop systems by increasing productivity, combating pests and diseases, supporting animal welfare, and safeguarding farmers and ranchers' livelihoods. FFAR has partnered with the swine industry on three programs over the last few years, focusing on wean-to-harvest biosecurity research, Japanese encephalitis virus research, and H5N1 risk to swine research.

#### **Reliance on China for Certain Vitamins and Nutrients**

Vitamins are essential nutrients required by swine to optimize health, productivity, and wellbeing. The U.S. pork industry is dependent on vitamins manufactured in China because production is limited, and in some cases, there are no other country of origin options to meet industry volume demands. Vitamins represent a significant proportion of total feed ingredient imports, and some vitamins (biotin, folic acid, pyridoxine, thiamin, and B12) are almost exclusively manufactured in China. With the exception of vitamin A, E, and niacin, 80 to 100% of all other vitamins must be imported from China. For biotin, folic acid, and vitamin B12, there are no other sources beyond China to acquire these vitamins.

#### Livestock Marketing and Transparency

Livestock Mandatory Reporting (LMR) remains a critical issue for pork producers today, and we cannot allow this vital program to lapse. Market Reporting and meaningful price discovery are critical to pork producers' ability to accurately market their livestock. While we consider the declaration of mandatory price reporting an essential service, improving the transparency and usefulness of reported information for producers is crucial. Over the past ten years, changes in the marketing of hogs have prompted our industry to identify several priorities and necessary

improvements to include in the next reauthorization of LMR. This includes adding information, such as the average daily non-carcass merit premium paid for hogs, to the reporting requirements – which will improve the transparency and utility of existing reports while removing requirements that are no longer used by the pork industry.

While NPPC believes meaningful changes to price reporting would give pork producers greater transparency in marketing their livestock, we are also concerned about any efforts that would stifle innovation, reduce competition, and introduce significant legal and regulatory uncertainty. In January 2020, USDA proposed a rule outlining criteria to determine if a preference or advantage given to a producer can be justified based on market conditions and reasonable business decisions. USDA also made clear in the rule that to prevail in legal challenges under the Packers and Stockyards Act (PSA), a plaintiff must show a preference or advantage that is likely to harm competition in the marketplace. The rule was finalized in December 2020 and took effect January 11, 2021.

Despite the previous rule satisfying USDA's congressional mandate from the 2008 Farm Bill, USDA announced in the summer of 2021 that it would again be proposing a series of new rules under the PSA. The rules promulgated under the Biden Administration were extremely vague and overly broad, creating uncertainty, confusion, and the potential for needless litigation in the pork industry – without addressing any specific existing issue. NPPC supports congressional action to ensure producers have stability in the marketplace by preserving hard-fought and long-standing business arrangements as soon as possible.

## **Expanding Market Access**

Trade is vital to America's pork producers, who annually export about a quarter of total production to more than 100 countries. Those exports create more than \$66 in value from each hog marketed, supporting more than 140,000 American jobs, and contributing more than \$15.7 billion to the U.S. economy, according to economists with Iowa State University and NPPC.

Despite numerous challenges, a strong U.S. dollar, ongoing supply chain issues, and trade retaliation from some of its top foreign markets, the U.S. pork industry continues to export a significant amount of pork. In fact, last year exports of pork and variety meats totaled over 3 million metric tons valued at nearly \$8.63 billion, representing a 4% increase in volume and a 6% increase in value compared to 2023 and setting a new record in both categories. Additionally, the United States has regained its position as the top exporter of pork in the world, accounting for more than 31% of global exports.

The primary cause for U.S. pork export growth over the past two decades has been trade initiatives – whether free trade agreements (FTAs), less-formal trade and investment framework agreements, or one-off market access deals. Through such initiatives, the United States moved from a net importer to a net exporter of pork in 1995.

As a result of trade agreements, U.S. pork exports have increased more than 2,090% in value and more than 1,782% in volume since 1989, the year the United States implemented its FTA with Canada and started opening international markets for value-added agriculture products.

Since 2000, pork exports to FTA countries have increased 1,178%, and in countries where the United States has negotiated preferential market access and where tariffs were slashed, pork exports increased tremendously as a result of more outlets for the broad range of pork products for sale.

In addition to comprehensive trade agreements granting better market access for U.S. pork, the pacts are usually the best avenue for U.S. agricultural science-based standards to be accepted and for broader non-tariff market access issues to be resolved.

Policies that foster the free flow of goods and expand export markets – primarily through trade agreements – are critical to the continued success of America's pork producers, U.S. agriculture, and the overall American economy. The bottom line: The United States needs more comprehensive trade agreements that eliminate or significantly reduce tariffs and non-tariff barriers to U.S. exports.

#### **Employment Challenges**

U.S. pork producers face challenges at home too. Chief among them is an ongoing employment shortage impacting much of the agriculture sector with varied effects on the nation's food supply. Despite significant wage increases and competitive benefits, pig farm employment has declined since 2021. Historically low unemployment rates, changing demographics, and declining populations in rural communities indicate that the domestic workforce will not be able to offset the pork industry's employment shortage. As a result, pork producers are increasingly dependent on non-domestic workers, and current visa programs fail to meet our workforce needs. Improving and updating the antiquated H-2A visa program by granting access to year-round agriculture industries would solve this problem and address the needs of non-seasonal farming.

#### **Dietary Guidelines for Americans**

The Dietary Guideline's Advisory Committee's scientific report recommendations to reduce red meat, such as pork, and replace it with plant-based proteins, is concerning. The repercussions of this decision would drastically affect the nutrition of Americans. Protein is critical to all diets, and the quality of that protein is important. Pork is a nutrient-dense protein that contains 10 essential nutrients such as iron, zinc, B vitamins, and ammino acids. Replacing animal-based proteins are also more digestible and bioavailable than plant proteins, and it would take more consumption of nuts and beans to equal the protein of pork. Research shows that specific groups of consumers such as toddlers, adolescent girls, pregnant and lactating woman, and the elderly, are deficient in protein intake. Replacing animal-based proteins with plant-based proteins is dangerous to these groups of consumers.

Pork is also an affordable option for consumers. The cost of groceries continues to be a top-ofmind issue for Americans. It is important for Americans who rely on federal feeding programs (such as school meals, the Supplemental Nutrition Assistance Program, or the Special Supplemental Nutrition Program for Women, Infants, and Children) to have affordable options that deliver the required nutrition. Pork is also is a versatile protein that is relevant across a variety of cultures. Reducing and replacing pork will ignore the cultural preferences that Americans make and lead to Dietary Guidelines recommendations being ignored. Our nation's pork producers are committed to producing a safe, lean, and high-quality protein for all to enjoy. By reducing pork in the diet, rural communities will be disproportionately impacted, as these communities rely on their local economy as well as the food that it produces.

There has been no scientific justification for reducing red meat and replacing this needed protein with plant-based products. The Dietary Guidelines for Americans must reflect nutrition science and continue to recommend animal-based protein, such as pork, as a critical part of the American diet.

#### **Conclusion**

While the industry is facing many challenges, pork producers, like me, and our industry allies are committed to working together to maintain the strength of the U.S. pork industry. We are proud of the work we do and appreciate the opportunity to help feed America's families.

NPPC and our members are thankful to Chairman Mann, Ranking Member Costa and Members of the subcommittee for their leadership and consideration of these important issues.