

September 10, 2024

To Members of the U.S. Congress:

The undersigned organizations urge Congress to stop the U.S. Department of Agriculture from mandating electronic identification for cattle and bison.

The new USDA rule is an illogical, ineffective proposal that will unfairly burden small- and medium-scale producers, further consolidate our food supply in the hands of a few large meatpackers, and undermine our national food security.

Multinational meatpacking corporations and high-tech companies are pushing mandatory electronic identification (EID) for livestock, claiming that it's an animal health measure and supports food safety – but neither is true. **The real story is that it promotes international exports, thus maximizing the meatpacking companies' profits, while the high-tech companies will make millions selling tags, readers, and related infrastructure, all at the expense of farmers and ranchers.**

Two decades ago, in the name of traceability, the USDA attempted to force America's cattle producers – and every livestock and poultry owner in the country – to register their premises with the federal government, individually identify all their animals with electronic identification, and report their animals' movements under the National Animal Identification System (NAIS). The agency presented traceability as the “magic bullet” to addressing animal disease – rather than focusing on prevention, detection, and treatment.

The USDA's onerous NAIS plan mimicked that of countries that are heavily dependent on exports, such as Europe, Australia, and Canada. USDA has frequently touted the supposed benefits of the export market, even though only about 11% of U.S.-raised beef is exported,<sup>i</sup> and the profits flow almost entirely to the large meatpacking companies and a handful of the largest producers.

**After a massive outcry from ranchers, farmers, homesteaders, property rights advocates, privacy watchdogs, and local food consumers, the USDA withdrew the plan for NAIS in 2010.**

In its place, the USDA adopted the Animal Disease Traceability (ADT) Rule. It required cattle producers to identify their adult beef cattle and all dairy cattle moving interstate with some form of individual animal identification. Consolidated, vertically integrated operations were given the easier and cheaper option to use group identification rather than physically tag each animal. The rule explicitly promised producers that they could choose among a variety of identification devices, including metal and plastic tags. The USDA described ADT as a flexible solution to animal disease traceability that encouraged the use of low-cost technology.<sup>ii</sup>

The USDA has conducted tests of the ADT and found that, on average, States can successfully trace an animal shipped out of state back to its state of origin in less than 1 hour.<sup>iii</sup>

**Nonetheless, in May 2024, the USDA adopted a new rule, eliminating visual-only ear tags and mandating electronic ID. The agency claims this change is needed to: 1) eliminate typos when the identification number on an ear tag is transcribed to a database, and 2) eliminate problems inherent to the paper records that currently accompany animals that cross state lines.**

Even as the agency continues to claim that this is an animal health program, the USDA press release announcing the new rule stated: “One of the most significant benefits of the rule for farmers and ranchers will be the enhanced ability of the United States to limit impacts of animal disease outbreaks to certain regions, which is the key to maintaining our foreign markets.”<sup>iv</sup> And much more concerning, the agency also signaled that **this rule is just the first step towards a far more wide-ranging, expensive, and intrusive plan resembling NAIS**, stating that “USDA is committed to implementing a modern animal disease traceability system that tracks animals from birth to slaughter.”<sup>v</sup>

Nothing has changed since the USDA promoted the use of lower cost methods of ID in the 2013 ADT rule that would justify the government eliminating producers’ choice.

USDA’s claim is that electronic tags and record systems provide a significant advantage over non-EID tags and paper record systems. Yet the agency is mandating only EID tags, not an electronic record system. Converting to a functional electronic system requires not only the tags, but all the associated infrastructure: readers, software and computers to upload the data, reliable internet to transmit data, etc. As discussed next, the costs of such a program are high and particularly so for small- and mid-sized producers. In an effort to avoid addressing the real costs of the system, the USDA’s rule provides that the EID tags will include visual ID numbers so that they can be read either electronically or visually.

Yet requiring EID and visual tags combined, without the readers and equipment, does nothing to improve error rates. To the contrary, by eliminating the current 9-digit alphanumeric visual tags that are allowed under the ADT rule in favor of 14-digit EID tags, the new rule will increase error rates. It’s intuitive that a farmer would make more mistakes entering a 14-digit code than he would when entering a 9-digit one. Instead of having 9 opportunities to mis-read or mis-write the digit, there are now 14 different opportunities for error.

USDA attempted to avoid that simple mathematical fact by saying that the first 6 digits of the new tags will always be the same (840 003). But that is only true for so long as the requirement is limited to US-born cattle (840) and only to few enough cattle that the remaining 8 digits are sufficient – something that will not last long, given USDA’s stated plans to expand the program.<sup>vi</sup>

Thus, the USDA is simply imposing the added cost of EID tags without achieving the supposed benefits of moving away from hand-transcribed non-electronic forms of identification.

And now consider the costs of a fully electronic program. A 2006 Kansas State University report found that costs of an RFID-based system are significantly higher for people with smaller herds due to the expense of the electronic infrastructure.<sup>vii</sup> USDA’s 2009 analysis affirmed this finding

that significantly greater costs would be imposed on small producers. Specifically, the agency found that large operations would pay \$2.48/head as compared to \$7.17/head for what the agency termed the “smallest operations,” even after the agency made multiple poorly founded assumptions in an effort to avoid assessing the full costs for small operations.

In addition to the economies of scale, **it is vital to recognize that the structure of the ADT rule makes it uniquely beneficial for the largest, most consolidated portion of the industry.** Under the ADT rule, animals that would normally be required to have an ear tag or other individual form of official identification can instead be identified by group numbers if they are managed together as a group from birth to death.<sup>viii</sup> In other words, vertically integrated operations, in which an entity owns the animal through its entire lifetime, can save large sums of money as compared to independent producers. With the higher costs of EID compared to the traditional forms of identification, this will create incentives for vertical integration and consolidation in the cattle industry – pushing it towards a model similar to hogs and poultry, in which meatpackers own the animals, and farmers are effectively hired labor.

We know that EID hurts small farms and ranches and increases consolidation based on the actual experience in our country. **In 2007, Michigan implemented mandatory electronic ID for cattle within the state.** Between 2007 and 2022 (the most recent agricultural census):

- **Michigan lost 4,445, or 32%, of its farms that have fewer than 500 head of cattle.** Nationally, while the number of small farms decreased in that time period, it was by a lower percentage (25%).
- **The number of large cattle farms in Michigan increased by 37% – and even more dramatically, the number of cattle on those large farms increased by 64%.**
- Nationally, the number of large farms actually decreased by 1%, and the number of head on those large farms only increased by 12%.<sup>ix</sup>

**In other words, in the only state with mandatory EID, small farms have been lost at a rate greater than the national average, while the consolidation of cattle on large farms outstrips the national average by almost 5 to 1!**

While bearing disproportionate costs, small producers will see few if any of the benefits through increased export markets. While agency and industry representatives have repeatedly claimed that electronic animal ID is about animal health generally, no one has produced any data or analysis to show that the current system – which includes more affordable, low-tech options for producers – is insufficient to address animal disease. Rather, the real driver of the program is the export market and the desire to develop a uniform, international system that makes it easier for companies such as JBS and Tyson to ship products around the world and maximize their profits. In the 1980s, farmers were promised that the benefits of such exports would trickle down to the producers; four decades of experience has proven that this is false, and that such reliance on export markets has merely helped fuel the “get big or get out” approach that has led us to such a fragile agricultural and food system.

USDA states that 70% of cattle would need to be traceable for it to be fully prepared for an incursion of a foreign animal disease. Yet USDA estimates that the new rule would apply to only about 11% of cattle. The agency’s press release signals that it intends to keep expanding this program to create a high-tech “birth to death” system. In other words, this rule is only the

start towards mandating EID tags on all livestock, as USDA originally proposed. The costs and intrusions will force thousands of farmers and ranchers out of business, and it needs to be stopped now.

**We urge Congress to pass S.B. 4282, S.J. Res. 98, and H.J. Res. 167.** These simple bills and resolutions prevent USDA from mandating electronic identification for cattle and bison, preserving the vital component of choice for producers.

Respectfully,

American Grassfed Association  
Carolina Farm Stewardship Association  
Cattle Producers of Louisiana  
Central Texas Young Farmers Coalition  
Community Farm Alliance  
Dakota Resource Council  
Davis Mountains Trans-Pecos Heritage Association  
Devine Markets Association  
Family Farm Defenders  
Farm Action Fund  
Farm Aid  
Farm and Ranch Freedom Alliance  
Farm to Consumer Legal Defense Fund  
Food Freedom Foundation  
Health Freedom Defense Fund  
Homemade Texas  
Independent Cattlemen of Wyoming  
Independent Cattlemen's Association of Texas  
International Texas Longhorn Association  
Iowa Stock Growers Association  
Kansas Black Farmers Association  
League of Independent Voters of Texas  
Missouri Rural Crisis Center  
Montana Cattlemen's Association  
National Family Farm Coalition  
National Health Freedom Action  
Northeast Organic Farming Association-Interstate Council  
Northern Plains Resource Council  
Northern Wisconsin Beef Producers  
Oglala Sioux Livestock and Landowners Association  
OrganicEye  
Powder River Basin Resource Council  
Prairie Oasis Farm  
R-CALF USA  
Regeneration International  
Rural Coalition  
Rural Vermont

South Dakota Citizens for Liberty  
South Dakota Livestock Auction Markets Association  
South Dakota Stockgrowers Association  
Texas Organic Farmers and Gardeners Association  
The Round Group  
The Virginia Land Rights Coalition  
The Weston A. Price Foundation  
Virginia Independent Consumers and Farmers Association  
Western Organization of Resource Councils

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<sup>i</sup> [Beef & Beef Products 2021 Export Highlights](#)

<sup>ii</sup> [USDA 2012 Fact Sheet](#)

<sup>iii</sup> [USDA Final Rule](#), Supplementary Information, p.6

<sup>iv</sup> [APHIS Bolsters Animal Disease Traceability in the United States | Animal and Plant Health Inspection Service \(usda.gov\)](#) (Apr. 26, 2024)

<sup>v</sup> [APHIS Bolsters Animal Disease Traceability in the United States | Animal and Plant Health Inspection Service \(usda.gov\)](#) (Apr. 26, 2024)

<sup>vi</sup> In addition to the 2024 press release reiterating its commitment to “birth to death” program, USDA has previously expressly stated its intention to expand the ADT rule to “feeder cattle,” i.e. those cattle under the age of 18 months. *See* 78 FR 2040, 2047 (“We further proposed to initiate a second implementation phase, in which we would extend the requirements to cover all other classes of cattle and bison, including feeders, after conducting an assessment and determining that the requirements were being implemented effectively throughout the production chain for the cattle and bison covered under the initial phase.”) (Jan. 9, 2013).

<sup>vii</sup> RFID Cost.xls – A spreadsheet to estimate the economic costs of a radio frequency identification (RFID) system, K.C. Dhuyvetter and D. Blasi, Version 7.6.06.

<sup>viii</sup> *See* 9 C.F.R. section 86.1 (“Group/Lot identification number (GIN). The identification number used to uniquely identify a ‘unit of animals’ of the same species that is managed together as a group throughout the preharvest production chain. When a GIN is used, it is recorded on documents accompanying the animals moving interstate; it is not necessary to have the GIN attached to each animal.”)

<sup>ix</sup> Based on data from Table 11 of the USDA Agricultural Census in 2007 and 2022.