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**Testimony of
Matt Perdue
North Dakota Farmers Union
Before the
House Judiciary Committee on HB 1208
January 27, 2021**

Mr. Chairman and members of the committee,

Thank you for the opportunity to provide testimony on House Bill No. 1208. My name is Matt Perdue, and I write on behalf of North Dakota Farmers Union's (NDFU) members.

NDFU supports HB 1208, because it strengthens the attorney general's authority under the state antitrust act. Providing the attorney general with more tools to enforce antitrust laws will better protect family farmers and ranchers.

Granting the attorney general *parens patriae* authority will allow him to file suit on behalf of North Dakota citizens and to recover damages for those individuals. Under current law, the attorney general may file or join antitrust litigation. However, he is limited in his ability to collect damages for North Dakotans impacted by anticompetitive practices. This could ultimately prevent a North Dakota citizen from being compensated when a court rules that an anticompetitive action has caused them harm.

HB 1208 is particularly important for family farmers and ranchers who are uniquely vulnerable to anticompetitive practices. Nearly all of the industries that farmers and ranchers buy from and sell to are highly consolidated. For example, the four largest firms control 76% of the soybean seed industry, 85% of the corn seed industry¹ and 85% of steer and heifer slaughter². Such high levels of consolidation weaken competition in an industry and make abuses far more likely.

In the last few months, we've seen several examples of potential anticompetitive conduct impacting farmers and ranchers. The onset of the coronavirus caused live cattle prices to plummet while boxed beef prices skyrocketed, devastating ranchers' pocketbooks and prompting a federal investigation. While there has not been successful litigation stemming from allegations of price fixing in the beef industry, the nation's two largest chicken companies were recently forced to pay \$185.5 million for depressing prices.

The unprecedented levels of consolidation farmers and ranchers face warrants strong enforcement authority at all levels of government. We believe the attorney general should be granted *parens patriae* authority, so he can better serve North Dakotans who are harmed by anticompetitive practices.

We support HB 1208 as written and urge a do pass. Thank you for your consideration.

¹James M. MacDonald, "Mergers and Competition in Seed and Agricultural Chemical Markets," *Amber Waves*, April 3, 2017, <https://www.ers.usda.gov/amber-waves/2017/april/mergers-and-competition-in-seed-and-agricultural-chemical-markets>.

² United States Department of Agriculture Grain Inspection, Packers and Stockyards Administration, "Packers and Stockyards Program 2016 Annual Report," https://www.gipsa.usda.gov/psp/publication/ar/2016_psp_annual_report.pdf.