

Talking Points: Senate Bill 421 (S. 421)

The American Beef Labeling Act (S. 421)

Reinstates mandatory country of origin labeling (MCOOL) for beef by requiring beef sold at retail to be labeled as to where the animal was born, raised, and harvested

1. MCOOL Empowers Consumers - Not Packers - To Choose Where Beef is Produced

- a. When the origin of beef is identified at the grocery store, consumers can choose from which country their beef sourced.
- b. When consumers make their origin-related choice, they send clear demand signals to beef packers, directing where the beef must be sourced.
- c. Without MCOOL, there is only a generic demand for beef and beef packers – not consumers – choose to source beef from any of 20 or so foreign countries.

2. MCOOL Will Prevent the Deceptive Practice of Placing “Product of U.S.A.” Labels on Foreign Beef*

- a. The U.S. Department of Agriculture (USDA) currently allows importers to label foreign beef products “Product of the U.S.A.” when the foreign beef is merely unwrapped and rewrapped.
- b. Passage of the new MCOOL bill (S. 421) will permanently correct this deceptive practice by requiring foreign beef to retain its foreign label through retail sale, meaning all the way to the consumer.

**Update: While the USDA has issued a final rule to address this practice, enforcement will not begin until January 1, 2026.*

3. MCOOL Will Enhance National Security, which Is Dependent on Food Security

- a. The U.S. cattle industry currently produces less beef than required to meet domestic demand. This is because packers choose to use cheaper imported beef to fill the gap, which has long eliminated opportunities for our domestic industry to expand. By implementing MCOOL, consumers can incentivize the U.S. to expand and achieve self-sufficiency in beef production, strengthening national security and ensuring a steady domestic beef supply.
- b. Because MCOOL affords consumers the right to choose from which country their beef is born, raised, and harvested, it follows that consumers can choose to make the entire U.S. beef supply chain more robust, more resilient, and more decentralized. Thus, MCOOL empowers consumers to ensure an abundant, safe supply of domestically produced beef.

4. MCOOL Helps Ensure Consumer Beef Prices Are Affordable

- a. Without MCOOL, beef is a generic commodity and lower cost, imported beef bears the same price tag as U.S. born and raised beef. This is because consumers cannot tell the difference between the two.
- b. When lower-cost imports are revealed with MCOOL, they will likely be priced lower than domestic beef. This will allow consumers to not only choose which product to purchase based on price; but also, the competition between lower-priced and higher-priced products will help keep all beef prices affordable.

5. MCOOL Empowers Consumers to Avoid Beef from Countries with Questionable Food Safety Records

- a. Beef packers are currently importing beef from countries with records of violating food safety standards – notably Brazil’s numerous inspection violations, while

other countries continue harboring dangerous livestock diseases – reports of foot-and-mouth disease in Namibia, Africa, and Brazil, for example. And many other developing countries do not have the same livestock production standards required in the United States.

- b. The U.S. has a history of waiting long periods before banning imports from countries with food safety infractions or disease outbreaks - with Brazil again providing a good example. Only with MCOOL can consumers make their own choice about how to respond to news reports of disease or safety problems in foreign countries.
- 6. MCOOL Empowers Consumers to Support America’s Independent Cattle Farmers and Ranchers Through Their Purchasing Choices**
 - a. Consumers who wish to support America’s independent cattle farmers and ranchers can do so only if they can choose to purchase beef exclusively born, raised, and harvested in the United States.
 - b. Obviously, MCOOL empowers consumers to choose to support the supply chains within the country of their choosing, which is the essence of competition.
 - 7. MCOOL Will Prevent Ongoing Industry Concentration and Consolidation**
 - a. Industry concentration is facilitated when concentrated beef packers access undifferentiated, lower-cost imports and use them as direct substitutes for U.S.-produced beef, thus reducing demand for cattle raised by American cattle farmers and ranchers.
 - b. With MCOOL, consumers will be empowered to disrupt the ongoing concentration and consolidation efforts of the big beef packers by choosing to support more local and regional beef packing facilities that exclusively produce beef born, raised, and harvested in the United States.
 - 8. MCOOL Will Create New Opportunities to Rebuild America’s Shrunk Cattle Herd and Attract New Entrants into the Cattle Farming and Ranching Sector**
 - a. The big beef packing lobby contends that large quantities of foreign beef and cattle are continually needed to fill domestic supply gaps. However, when large quantities of undifferentiated foreign beef and beef from imported cattle are used to meet domestic beef demand, that beef and those cattle effectively shut down opportunities for U.S. cattle farmers and ranchers to increase production of beef from animals exclusively born, raised, and harvested in the United States.
 - 9. MCOOL Will Stop Imports from Displacing U.S. Cattle Producers**
 - a. Beef and cattle imports have been generally increasing for over a decade, reaching new historical highs in 2020, 2023, and 2024. This coincides with the loss of 107,000 domestic beef cattle producers as reported by the latest U.S. census from 2017-2022. Lower-cost, undifferentiated foreign beef and cattle imports are displacing both American producers and their cattle. By passing MCOOL, consumers will have the ability to strengthen the domestic beef supply chain by choosing to purchase beef from U.S. born and raised cattle.
 - 10. MCOOL Will Help Revitalize America’s Rural Communities**

For all the reasons stated in these talking points, MCOOL empowers consumers to help restore for America’s rural communities the economic opportunities lost because undifferentiated foreign beef, and worse, the mislabeling of foreign beef, has deprived America’s independent cattle farmers and ranchers the opportunity to compete in their own domestic market.