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## District Court Advances Ranch Group Lawsuit Challenging USDA's Operation of Beef Checkoff Program

**Billings, Mont.** –Yesterday, the U.S. District Court for the District of Columbia <u>ruled</u> that a lawsuit brought by independent ranchers who claim that the Beef Checkoff program threatens their livelihoods can proceed. The <u>court's opinion</u> denies a motion to dismiss by the U.S. Department of Agriculture (USDA), writing that the ranchers have successfully alleged they have "associational standing" to challenge USDA's practices. The case will proceed to discovery, through which the public may be able to glean more details about Big Ag's influence on the Beef Checkoff.

R-CALF USA, through attorneys at Public Justice, <u>filed this newer legal challenge</u> over amendments the USDA made to the operation of the federal Beef Checkoff program in the U.S. District Court for the District of Columbia in September 2020. The new lawsuit builds on R-CALF USA's Montana litigation, which challenged the constitutionality of the use of Checkoff funds by private state beef councils to fund speech that is harmful to independent, domestic producers.

R-CALF USA had argued that the government's MOUs that purport to convert the 15 private state beef councils' unconstitutional private speech into government speech are inadequate to cure the constitutional violations in the federal Beef Checkoff program. The district court and Ninth Circuit rejected this argument concluding that while the program had been administered in violation of the Constitution for decades, the MOUs rectified that constitutional violation. R-CALF is considering its options for how to proceed in the Montana litigation.

The newer lawsuit goes further in its challenge to the MOUs, asserting that the government unlawfully amended the legal and regulatory framework within which the state beef councils operate, without first initiating a public rulemaking process that affords the public with notice of its proposed amendments and provides the public with an opportunity to provide comments before the amendments are implemented. R-CALF USA, represented by Public Justice, contends that, in entering into the MOUs, USDA denied R-CALF USA's members—and ranchers everywhere—their right to weigh in on a federal program they are forced to fund.

Thus, the newer lawsuit advanced yesterday asks the federal district court in Washington, D.C. to declare the MOUs unlawful. In its ruling, the court stated it was possible the MOUs and the checkoff program as a whole are costing independent ranchers money by promoting corporate, generic beef at the expense of that raised by independent, domestic ranchers. Thus, R-CALF

USA is entitled to proceed with it challenge and can obtain discovery to prove the harms caused by the checkoff.

"The district court ruling yesterday rightly recognizes that independent ranchers have a right through the courts to challenge a system that uses their money to prop up multinational agribusiness," said David Muraskin, Litigation Director of the Public Justice Food Project and counsel for R-CALF USA. "USDA entered into these MOU's illegally by skipping a true public input process, which is essential to good governing. It continues to be a long fight for American ranchers who just want the level playing field they're entitled to by law, and today represents a victory in that long fight."

R-CALF USA CEO Bill Bullard said the lawsuit was filed to prevent the USDA from engaging in unlawful government overreach. "As a federal agency, the USDA is authorized only to carry out federal statutes, and if conditions change and the implementing regulations for the statutes need to be changed, then the agency is obligated to involve the people and entities it regulates in a transparent process. This is an example where the USDA, instead, is attempting to run roughshod over those it regulates," Bullard said.

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R-CALF USA (Ranchers-Cattlemen Action Legal Fund United Stockgrowers of America) is the largest producer-only lobbying and trade association representing U.S. cattle producers. It is a national, nonprofit organization dedicated to ensuring the continued profitability and viability of the U.S. cattle industry. Visit <a href="www.r-calfusa.com">www.r-calfusa.com</a> or, call 406-252-2516 for more information.

The Public Justice Food Project supports rural communities, farmers, workers, and allies to fight for a just, humane, sustainable, and regenerative animal agriculture system.