

Senate Agriculture, Nutrition, and Forestry

Hearing: Increasing Domestic Consumption of U.S. Grown Agricultural Products

10 March 2026

Highlights: The Senate Agriculture Committee focused on how expanding domestic demand—especially through biofuels like year-round E15, Buy American policies, and nutrition programs—can stabilize farm incomes amid low prices, high input costs, and trade volatility. Witnesses across commodities agreed that strong domestic markets, not repeated emergency aid, are essential to sustaining U.S. farmers, rural communities, and -long-term- food and energy security. There was also strong support for reinstating Local Food Purchasing Assistance and Local Food for Schools programs.

Witnesses:

- [Zippy Duvall](#)- President, American Farm Bureau Federation
- [Scott Metzger](#)- President, American Soybean Association
- [Cathy Burns](#)- CEO, International Fresh Produce Association
- [Jed Bower](#)- President, National Corn Growers Association
- [Nathan Reed](#)- Chairman, National Cotton Council
- [Matt Perdue](#)- President, North Dakota Farmers Union

Key Points

- Biofuels and Energy Markets
 - Permanent, year-round- [E15 fuel blend](#) emerged as the top priority:
 - Expands corn demand significantly
 - Lowers gasoline prices for consumers
 - Improves U.S. energy security
 - Provides certainty for fuel retailers and infrastructure investment
 - Strong support for:
 - Robust [Renewable Fuel Standard \(RFS\)](#)
 - Effective implementation of the [Clean Fuels Production Credit \(45Z\)](#)
 - Growth in [sustainable aviation fuel \(SAF\)](#) and marine fuels
- “Buy American” and Federal Procurement
 - Witnesses urged Congress to better leverage federal purchasing power to support U.S. producers.
 - Federal nutrition and procurement programs purchase billions of foods annually but often allow imported products.
 - Greater enforcement and modernization of Buy American rules could boost demand for row crops, cotton, fruits and vegetables.
- [Buy American Cotton Act \(BACA\)](#)

- Cotton stakeholders highlighted a structural demand collapse, citing that Brazil now leads in global cotton exports; US textile and processing capacity has been hollowed out; and synthetic fibers dominate US retail markets.
- BACA proposes:
 - Transferable tax credit tied to U.S. Cotton content and domestic processing.
 - Designed to rebuild domestic textile demand, support rural jobs, and reduce reliance on farm safety net payments.
- Specialty Crops (Fruits and Vegetables)
 - Specialty crop producers stressed they are undercounted and under protected
 - Represent $\sim\frac{1}{3}$ of crop value but receive a fraction of farm assistance.
 - USDA's cancellation of Local Food Purchase Assistance (LFPA) and Local Food for Schools (LFS) programs disrupted planting and investment decisions.
 - Key recommendations:
 - **Restore and permanently fund LFPA and LFS.**
 - Expand fruit and vegetable incentives in SNAP and WIC.
 - Align USDA procurement with nutrition and domestic sourcing goals.
 - View produce consumption as both an economic and public health opportunity.
- Labor Shortages & Market Concentration
 - Agricultural labor shortages—exacerbated by immigration policy uncertainty—are limiting production, especially specialty crops.
 - Consolidation in input and processing markets is squeezing farm margins and reducing competition.
 - Witnesses called for:
 - Modernized ag labor programs
 - Stronger antitrust enforcement
 - Investment in local and regional processing capacity
- Farm Bill Urgency
 - The hearing underscored urgency for a bipartisan, five-year Farm Bill that:
 - Strengthens safety nets
 - Supports domestic demand creation
 - Addresses specialty crop gaps
 - Invests in research, conservation, and infrastructure
 - Provides predictability for producers and lenders