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United States Senate

WASHINGTON, DC 20510-3903

March 6, 2025

The Honorable Brooke Rollins, Secretary
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Secretary Rollins:

I write to urge you to ensure that taxpayer funding intended to fight the avian flu outbreak is used responsibly to eradicate the disease and lower the cost of eggs, and does not go to publicly traded companies that are conducting stock buybacks.

As I wrote to you before your confirmation, I am deeply concerned about the impact that the avian flu outbreak is having on the price of eggs and American consumers. I am also concerned about the effects of possible price gouging by large egg producers, which I expressed in a previous letter to the Biden Administration. Since President Trump took office, the price of a dozen eggs has nearly doubled, and the Administration fired several employees working to combat avian flu. While the Administration has since announced a new effort to rehire those employees and invest in solutions, it must do better to coordinate an effective response that actually results in lower prices for Americans.

A key piece of this effort includes ensuring taxpayer dollars are invested wisely and effectively. In your first two weeks on the job, you visited a Cal-Maine Foods facility in Bogata, Texas to view the company's implementation of biosecurity measures to prevent the spread of avian flu. You may know that Cal-Maine Foods is the largest U.S. egg producer and recently announced in a SEC filing that it is spending up to \$500 million to buy back shares for the benefit of the founder's family. Cal-Maine last month also reported over \$350 million in gross quarterly profits, a fourfold increase from a year prior. Despite its tremendous profits, last year the company received \$44 million in USDA indemnity payments to compensate for bird deaths due to the avian flu outbreak.

As the Trump Administration limits federal resources, including for USDA, it should ensure the funding it does make available for the avian flu response is used effectively to help producers who need it most – not highly-profitable companies. A company that has earmarked hundreds of millions of dollars of cash on-hand and expected earnings for stock buybacks also has the resources to recover from losses and implement biosecurity measures without taxpayer assistance.

I appreciate your attention to this important issue, and look forward to your prompt reply.

Sincerely,



Jack Reed
United States Senator

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