



## Coalition Urges Senate to Reject Costly Reference Price Hike in Budget Reconciliation

April 4, 2025

Dear Senator:

Our organizations strongly oppose efforts to increase reference prices in the budget reconciliation bill, for four reasons:

First, subsidies tied to reference prices will primarily benefit a few large farmers growing select crops.<sup>1</sup>

Second, increasing reference prices will not serve most farmers and livestock producers.<sup>2</sup>

Third, increasing reference prices will inflate the cost of farmland and basic farm inputs.<sup>3</sup>

Fourth, Congress just provided the same farmers who would benefit from increased reference prices with \$10 billion in assistance. Raising reference prices makes little sense during this time of large ongoing federal budget deficits.<sup>4</sup>

We urge you to reject efforts to increase reference prices in the budget reconciliation process.

Sincerely,

Earthjustice Action  
Environmental Working Group  
Farm Action Fund  
Farm Aid  
Friends of the Earth  
Green America

National Sustainable Agriculture Coalition  
National Taxpayers Union  
R Street Institute  
Taxpayers for Common Sense  
Union of Concerned Scientists

<sup>1</sup> Jared Hayes, "[Benefit of Boost in Crop Reference Prices Would Mostly Only Aid Large Farmers in Just 100 Counties](#)," Environmental Working Group, May 17, 2024.; Schnitkey, G., N. Paulson, C. Zulauf, J. Coppess and B. Sherrick. "[Statutory Reference Prices and the Next Farm Bill](#)," *farmdoc daily* (14):91, Department of Agricultural and Consumer Economics, University of Illinois at Urbana-Champaign, May 14, 2024.

<sup>2</sup> Rebecca Shewe, "[The Farm Safety Net: A Closer Look at ARC and PLC](#)," National Sustainable Agriculture Coalition, February 7, 2025.

<sup>3</sup> Jennifer Ifft and Todd Kuethe, "[The Influence of Direct Payments on US Cropland Values](#)," *farmdoc daily*, May 22, 2015.; Jessica Cuswoth, et. al, "[Family Farmers Need Support, Raising Reference Prices Isn't the Answer](#)," Farm Action, November 3, 2023.

<sup>4</sup> "[USDA Unveils Plan for \\$10 Billion in Stop-Gap Farm Bill Subsidies](#)," Taxpayers for Common Sense, March 19, 2025.