



March 30, 2026

The Honorable John Thune  
Senate Majority Leader  
Washington, D.C. 20510

The Honorable Mike Johnson  
Speaker of the House  
Washington, D.C. 20515

The Honorable Chuck Schumer  
Senate Minority Leader  
Washington, D.C. 20510

The Honorable Hakeem Jeffries  
House Minority Leader  
Washington, D.C. 20515

The Honorable John Boozman  
Chair, Senate Committee on Agriculture,  
Nutrition, and Forestry  
Washington, D.C. 20510

The Honorable G.T. Thompson  
Chair, House Committee on Agriculture  
Washington, D.C. 20515

The Honorable Amy Klobuchar  
Ranking Member, Senate Committee on  
Agriculture, Nutrition, and Forestry  
Washington, D.C. 20510

The Honorable Angie Craig  
Ranking Member, House Committee on  
Agriculture  
Washington, D.C. 20515

The Honorable Chuck Grassley  
Chair, Senate Committee on the Judiciary  
Washington, D.C. 20510

The Honorable Jim Jordan  
Chair, House Committee on the Judiciary  
Washington, D.C. 20515

The Honorable Dick Durbin  
Ranking Member, Senate Committee on the  
Judiciary  
Washington, D.C. 20510

The Honorable Jamie Raskin  
Ranking Member, House Committee on the  
Judiciary  
Washington, D.C. 20515

Dear Congressional Leadership and Committee Leadership:

As Congress considers options to address rising fertilizer costs, we write to urge that these efforts go beyond short-term relief and directly confront the underlying market conditions driving these disruptions.

Over the past few years, farmers have experienced multiple fertilizer supply shocks, each resulting in sharp cost increases that strain already thin margins. Farmers operate within highly concentrated input and commodity markets, where they have little bargaining power over the

prices they pay or receive. The result is a direct and immediate squeeze on farm profitability, compounding financial stress across the agricultural economy and increasingly triggering calls for federal assistance. Without structural reforms, this dynamic risks becoming cyclical, with taxpayer-funded relief flowing through farmers and ultimately into fertilizer and other highly concentrated input sectors.

Fertilizer markets are highly concentrated at multiple points in the supply chain. A small number of firms control the production and manufacturing of the three critical macronutrients used by farmers. Just four firms control more than 80% of nitrogen production, while just two firms control more than 90% of phosphate and potash fertilizer capacity.<sup>1</sup> These same firms control fertilizer inputs, distribution networks, and logistics channels—creating seemingly insurmountable barriers to entry for competitors. At the same time, limited transparency around pricing, production, and inventory levels makes it difficult for both farmers and policymakers to assess market conditions. These structural dynamics allow supply disruptions—whether driven by geopolitical events, trade constraints, or logistical challenges—to translate into rapid, outsized, and sustained price increases.

Because fertilizer is a foundational input in crop production and a major driver of operating costs—often accounting for up to one-third to one-half of expenses for major commodities<sup>2</sup>—the consequences of these market dynamics are particularly significant. Fertilizer purchases must be made within a narrow seasonal window, leaving farmers with little flexibility to delay or adjust when prices rise. In the current economic environment—marked by weaker commodity prices, higher borrowing costs, and elevated input expenses—sudden increases in fertilizer prices can force difficult tradeoffs, including reduced application rates, lower planted acreage, or additional debt. These pressures are especially pronounced for small and mid-sized operations, which often have less access to credit and fewer tools to manage volatility, increasing the risk of financial stress and long-term consolidation.

Recent history demonstrates how these structural dynamics play out in practice. During the 2021-2022 fertilizer price spike, wholesale fertilizer prices increased dramatically—rising more than 60% in 2021 and over 103% higher in 2022 compared to pre-spike levels. These increases significantly outpaced changes in underlying production costs. At the same time, major fertilizer manufacturers reported substantial margin expansion, with one leading firm increasing its gross manufacturing margin nearly seven-fold during this period despite far smaller increases in input

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<sup>1</sup> Farm Action. (2024, September). *Kings over the necessities of life: Monopolization and the elimination of competition in America's agricultural system*.

[https://farmaction.us/wp-content/uploads/2024/09/Kings-Over-the-Necessaries-of-Life-Monopolization-and-the-Elimination-of-Competition-in-Americas-Agriculture-System\\_Farm-Action.pdf](https://farmaction.us/wp-content/uploads/2024/09/Kings-Over-the-Necessaries-of-Life-Monopolization-and-the-Elimination-of-Competition-in-Americas-Agriculture-System_Farm-Action.pdf)

<sup>2</sup> U.S. Department of Agriculture, Economic Research Service. (2025, March 27). *Fertilizer prices stable at onset of 2025 planting season, below highs of 2021 and 2022*.

<https://www.ers.usda.gov/data-products/charts-of-note/chart-detail?chartId=111221>

costs.<sup>3</sup> This pattern of rapid price escalation alongside rising margins in a concentrated market raises serious concerns about the extent to which supply disruptions are being amplified by market power. The result is a system in which global shocks are transmitted—and often intensified—at the farm level, contributing to recurring cycles of price spikes, financial stress, and calls for emergency assistance.

Recent legislative proposals aimed at improving fertilizer transparency, strengthening domestic supply, and stabilizing prices reflect meaningful progress and a growing recognition that fertilizer price volatility has become a recurring threat to U.S. farm viability.<sup>4</sup> These efforts are a necessary step forward—but on their own, they will not resolve the structural vulnerabilities that continue to expose farmers to repeated crises.

Farm Action recently raised these structural concerns in a letter to President Donald Trump,<sup>5</sup> emphasizing that immediate steps to stabilize fertilizer supply must be paired with measures that address market concentration and long-term supply vulnerability. We respectfully urge Congress to adopt this same approach.

To ensure that current legislative efforts address both immediate cost pressures and the underlying drivers of market instability, we recommend that Congress incorporate the following priorities:

- **Pass a federal price-gouging law for agricultural inputs** to establish clear authority to investigate and penalize excessive pricing during supply disruptions, particularly in highly concentrated markets where competitive checks are limited.
- **Direct the Administration to designate key fertilizer inputs as critical materials under the Defense Production Act** to strengthen federal authority to monitor supply, prevent hoarding, and stabilize markets during periods of disruption.
- **Prevent further consolidation in the fertilizer sector**, including by prohibiting mergers and acquisitions that would increase concentration in fertilizer production or distribution, and supporting robust antitrust enforcement against anti-competitive practices.
- **Increase fertilizer market transparency** by requiring comprehensive public reporting of prices, production levels, and inventories, and strengthening the U.S. Department of Agriculture's capacity to monitor market conditions and identify abnormal price movements.

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<sup>3</sup> Farm Action. (2025, October 9). *Fertilizer: The hidden engine of corporate power*. <https://farmaction.us/bigfertilizer/>

<sup>4</sup> U.S. Congress (2026). S. 4152: *Fertilizer Transparency Act of 2026*, 119th Cong.; U.S. Congress (2026). S.4148: *Homegrown Fertilizer Act of 2026*, 119th Cong.; U.S. Congress (2026). S.2808/H.R.6192: *Fertilizer Research Act*, 119th Cong.; U.S. Congress (2026). S.912/H.R.1995: *Securing American Agriculture Act*, 119th Cong.

<sup>5</sup> Farm Action. (2026, March 11). *Farm Action urges Trump administration to prevent another fertilizer price spike*. <https://farmaction.us/farm-action-urges-trump-administration-to-prevent-another-fertilizer-price-spike/>

- **Invest in domestic and regional fertilizer production capacity** through targeted financing and infrastructure support, with a focus on independent, cooperative, and farmer-oriented models that expand supply while strengthening competition.
- **Reform farm programs to reduce input vulnerability** by modernizing crop insurance, expanding conservation and soil health programs, and investing in alternative nutrient systems that reduce long-term dependence on volatile synthetic inputs.

Taken together, these actions will help ensure that current legislative efforts not only provide needed relief but also reduce the likelihood that farmers will face similar crises in the years ahead.

Congress has an opportunity to move beyond reactive responses and establish a more durable framework for agricultural input security—one that protects farmers from excessive pricing, strengthens competition, and improves long-term resilience across the farm economy.

We appreciate your attention to this issue and stand ready to support efforts to advance meaningful, lasting solutions.

Sincerely,

A handwritten signature in cursive script that reads "Angela Huffman".

Angela Huffman  
President and Co-Founder  
Farm Action