

United States Senate

WASHINGTON, DC 20510

June 10, 2024

The Honorable Joseph R. Biden, Jr.
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, D.C. 20500

Dear President Biden:

I write regarding the high cost of groceries and its impact on hardworking families across Nevada. Over the last few years, Americans have watched the price of a dozen eggs rise by over 70 percent and the price of a gallon of milk increase by over 20 percent. In 2022 alone, the price of food experienced the highest percent change since 1974, increasing by 11.4 percent in one year. While we've seen a small slowdown of price increases over the past year, food prices have still risen nearly 3 percent in Western states, and these consistent, annual increases have placed an incredible burden on Nevadans working to make ends meet. That's why I urge you to take immediate action to lower grocery costs for Nevadans by holding large corporations accountable for harmful anticompetitive practices that increase the cost of groceries. I also encourage you to invest more in small producers, farmers, and ranchers so that they can better compete with mega-producers and help bring prices down, and that you support policies that lower the costs of activities in the food supply chain, which can directly contribute to higher grocery prices.

Nevadans are experiencing some of the highest costs in the United States. A November 2023 report indicated that Nevada ranked second in the nation for the cost of groceries, with families spending an average of nearly \$300 per week. It is unacceptable that Nevadans are paying far more than the national average for everyday staples like milk and eggs. Your Administration must do more to lower these costs across my state, including by holding large corporate grocery retailers accountable for practices that have been increasing food prices.


Like a number of industries, the grocery sector is dominated by only a handful of large retailers. With limited competition in a consolidated market, retailers can keep prices high, with no incentives to pass any cost savings on to hardworking Nevada families. Meanwhile, retailers' profits continue to rise at record-breaking speed, with some companies seeing their profits grow five times faster than the rate of inflation. Big corporate mergers, especially in the food industry, can reduce competition and raise grocery prices. With market consolidation and decreased competition, corporations are able to engage in price manipulation like "shrinkflation," charging families more for less. I've raised significant concerns about the impact such mergers could have on grocery costs in Nevada, including urging the Federal Trade Commission (FTC) to block the Kroger-Albertsons grocery store mega merger because it could lead to higher prices. I commend the FTC for heeding my call and suing to block this merger. However, we must do more to protect families and lower costs so they don't have to choose between paying for groceries, rent, and prescription medications. I ask that you work within your Administration, including with the

FTC and Department of Justice, to consider the impact proposed acquisitions and mergers could have on hardworking families' pockets and block those that could raise costs for Nevadans.

I also encourage you to take proactive measures to lower grocery costs from their existing historic highs. This includes investing more in small businesses and ensuring there are resources to build up our nation's small producers, farmers, and grocers in order to increase competition and bring down prices. It is also critical to work toward lowering the costs of ancillary activities in the food supply chain, such as the price of fuel for farm equipment and the cost of utilities to keep the lights on at processing plants. Investments and policies that protect produce and cattle from diseases and pests should also be prioritized, so that families don't experience increased costs as a result of decreased food supply.

I appreciate your attention to this important issue and urge you to take all actions necessary to lower grocery costs for hardworking families in Nevada.

Sincerely,



Jacky Rosen
United States Senator