
KSWPA Legislative Update

2 messages

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To: Kelley Yates <kyates@kysheepandgoat.org>

Tue, Oct 13, 2026 at 5:52 PM

Kelley,

Here is the legislative update.

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Kentucky Sheep and Wool Producers Association Legislative Update

(October 2026)

Prepared by: Bill Decker , KSWPA ASI Legislative Representative

1. Federal Policy & Regulatory Developments

A. Veterinary Pharmaceuticals & Animal Health Tools...**Administrative stuff**

The most consequential issue for producers continues to be **access to modern pharmaceuticals** already approved in Australia and New Zealand. ASI leadership—including new Executive Director **Mike Michener**—has elevated this issue in Washington.

Key points you can deliver:

- U.S. producers remain restricted from using several advanced parasite-control and flock-health products that are standard overseas.
- **73% of lamb consumed in the U.S. is imported**, meaning consumers already eat meat from animals treated with these pharmaceuticals.
- ASI is pushing USDA and FDA to review international data and move toward **regulatory parity** so domestic producers can compete fairly.
- Kentucky's congressional offices have been receptive to the argument that this is a **food-security** and **animal-welfare** issue, not a regulatory shortcut.

B. Farm Bill Status & Sheep-Specific Provisions.....**Passed in House only**

The 2026 Farm Bill negotiations continue with several items affecting sheep producers:

- **Wool & Lamb Marketing Programs:** ASI is advocating for continued funding for the Wool Apparel Manufacturers Trust Fund and the National Sheep Industry Improvement Center.
- **Disaster Assistance:** Push for clearer eligibility for sheep operations under ELAP and LIP, especially for predator losses and extreme weather events.

- **Research Funding:** Support for expanded USDA-ARS research on parasite resistance, genetics, and small-ruminant disease management.

Kentucky's delegation—particularly Rep. Comer and Sen. McConnell—remain influential in agriculture appropriations and have been briefed on ASI priorities.

C. H-2A Labor Reform.....Introduced in the House....No vote or movement

Labor shortages remain a major challenge for sheep operations nationwide.

Current legislative movement:

- Bipartisan discussions continue around **streamlining H-2A** for year-round livestock operations.
- ASI is pushing for a classification that recognizes **sheep production as year-round**, not seasonal.
- Kentucky producers who rely on outside labor would benefit from reduced paperwork, more predictable timelines, and clearer wage rules.

D. Wildlife & Predator Management

Federal agencies are reviewing predator-control policies, especially around wolves and coyotes.

Updates:

- ASI continues to defend the role of **Wildlife Services** and ensure funding remains intact.
- Several Western states are pushing for expanded lethal-control authority; ASI's position is that predator management must remain **science-based** and **producer-driven**.
- Kentucky producers should watch for potential changes in federal reimbursement rules for predator losses.

2. Trade & Market Conditions

A. Import Competition

Imports from Australia and New Zealand remain historically high. ASI is pressing USTR and USDA on:

- Ensuring imported lamb meets **equivalent health and safety standards**.
- Addressing market distortions caused by foreign access to pharmaceuticals U.S. producers cannot use.
- Monitoring tariff-rate quotas and ensuring domestic producers are not disadvantaged in retail pricing.

B. Domestic Processing Capacity

Small and mid-scale processors continue to face regulatory burdens.

Current efforts:

- ASI is supporting federal grants for **small processors**, including modernization funds and inspection-support programs.
- Kentucky's smaller processors may qualify for upcoming USDA rural development grants.

3. State-Level Issues in Kentucky

A. State Veterinarian Coordination

Kentucky's Department of Agriculture has been receptive to ASI's messaging on pharmaceutical parity and flock-health modernization.

- Continued collaboration is expected on parasite-management education and disease surveillance.
- Kentucky's sheep population growth—modest but steady—positions the state well for expanded extension programming.

B. Predator Pressure & Wildlife Policy

- Coyote pressure remains high across central Kentucky.
- Producers should continue documenting losses for potential federal reimbursement.
- Discussions with Kentucky Fish & Wildlife Resources include expanding educational outreach on non-lethal and lethal control options.

C. Local Processing & Market Access

- Interest in local lamb markets is increasing, especially in Louisville and Lexington.
- Producers should monitor grant opportunities for on-farm or cooperative processing improvements.

4. ASI Organizational Updates

New Executive Director: Mike Michener

Michener brings decades of experience in USDA, USAID, and international trade. His priorities include:

- Strengthening ASI's federal policy influence.
- Advancing pharmaceutical access and animal-health modernization.
- Improving producer competitiveness through market development and regulatory reform.

His leadership is expected to accelerate ASI's presence in Washington and sharpen the industry's policy strategy.

5. Key Take Aways

- **Parity in pharmaceuticals** is the single most important competitive issue for U.S. producers.
- The **Farm Bill** remains fluid, but ASI is pushing hard for sheep-specific funding and disaster-assistance clarity.
- **Labor reform** is gaining traction, and ASI is advocating for year-round H-2A eligibility.
- **Predator management** and Wildlife Services funding remain essential.
- Kentucky producers are well-positioned to benefit from federal grants and growing local demand.
- ASI leadership changes bring renewed energy and stronger federal engagement.

The American Sheep Industry does see several concrete wins in the One Big Beautiful Bill (OBBB), even though the bill is broad and not sheep-specific. The gains come through livestock disaster programs, biosecurity funding, wool program support, and export promotion — all of which directly benefit sheep producers.

Top Positive Outcomes for the American Sheep Industry

1. Stronger Livestock Disaster Programs

The bill **improves standing livestock disaster programs**, including:

- Full coverage for losses caused by **federally protected species** (a major issue for sheep producers dealing with wolves and coyotes).
- **Indemnities for unborn livestock** killed in disasters — a direct benefit for sheep producers who lose pregnant ewes.
- Increased assistance for **forage losses during drought**, which is a recurring challenge for western sheep operations.

These changes reduce financial risk for sheep producers and strengthen the overall safety net.

2. Major Investment in Livestock Biosecurity

The bill provides **\$1.5 billion over the next decade** for livestock biosecurity, including:

Top takeaway: The *One Big Beautiful Bill (OBBB)* delivers several **direct wins for the American Sheep Industry**, especially in livestock disaster coverage, wool program funding, biosecurity, and export support. These provisions strengthen producer resilience, stabilize revenue risk, and invest in long-term industry infrastructure. Below is a clear, structured summary of the sheep-specific and sheep-adjacent benefits.

Key Wins for the American Sheep Industry

1. Major Improvements to Livestock Disaster Programs

These changes directly benefit sheep producers, who frequently face predation, drought, and reproductive losses.

- **Full coverage for losses caused by federally protected species** (e.g., wolves, coyotes under certain protections).
- **Indemnities for unborn livestock killed in disasters**, meaning producers are compensated for lost lambs still in utero.
- **Increased assistance for forage losses during drought**, a major issue for western sheep operations.

These changes strengthen the Livestock Indemnity Program (LIP) and Livestock Forage Disaster Program (LFP), two of the most important safety-net tools for sheep producers.

2. Wool Trust Fund Fully Funded (“Orphan Programs”)

The bill explicitly **funds the Wool Trust Fund**, which supports:

- Wool research
- Wool marketing
- Domestic wool competitiveness

- Infrastructure for U.S. wool quality improvement

This is one of the most direct wins for the sheep industry, ensuring continued support for wool promotion and market development.

3. Livestock Biosecurity Investment – \$1.5 Billion Over 10 Years

Sheep producers benefit from expanded national livestock disease preparedness:

- More large-animal veterinarians
- Stronger USDA diagnostic labs
- Vaccine development
- APHIS support for disease response

This is especially important for sheep diseases such as OPP, foot-and-mouth disease preparedness, and parasite-related health challenges.

4. Expanded Export Market Support

The bill **doubles funding** for:

- **Market Access Program (MAP)**
- **Foreign Market Development (FMD)**

These programs help promote U.S. lamb and wool internationally—critical for an industry that relies heavily on export markets for wool and pelts.

5. Stronger, More Affordable Crop Insurance & Forage Support

While sheep producers don't rely on traditional crop insurance, they **do rely on forage**, and the bill:

- Makes higher levels of coverage more affordable
- Enhances area-wide plans
- Increases oversight and modernization

Better forage insurance indirectly stabilizes grazing-based sheep operations.

6. General Livestock Safety-Net Expansion

The bill is widely described as delivering a **major expansion of the farmer safety net**, including livestock programs.

This includes updated reference prices, stronger disaster programs, and more affordable risk-management tools—benefits that flow to sheep producers through livestock-specific titles.

Bottom Line for the Sheep Industry

The *One Big Beautiful Bill* delivers **tangible, structural wins** for the American Sheep Industry:

- More reliable disaster compensation
- Stronger drought and forage support
- Dedicated wool program funding
- Expanded export promotion
- Major national investment in livestock disease prevention

These provisions collectively strengthen producer stability, improve market competitiveness, and support long-term industry health.

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Tue, Oct 13, 2026 at 7:50 PM

Thanks!

Kelley

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