

Requesting Cosponsors: The EGG SAVE Act of 2025

Bill title: H.R. 5776 – Efficiency Gains through Grading Standards and Viable Enhancement Act

Lead sponsor: Rep. Nicole Malliotakis | **Committee:** Ways and Means

A temporary tax credit to cut egg production costs

THE PROBLEM: 300 MILLION MALE CHICKS WASTED PER YEAR

America's \$21B egg industry has a significant inefficiency: the egg-laying breed is not suited for meat production, so each year **~300M male chicks are disposed of** on the day they hatch. The industry spends **~\$70M annually** to incubate and remove these chicks — with zero economic return.

THE SOLUTION: SCREENING MALES BEFORE THEY HATCH

This waste is now avoidable. Since 2018, scientists have developed “**in-ovo sexing**” — **technology that can determine a chick's sex while it's still in the egg**. Machines achieve [95-99% accuracy](#), [process up to 25,000 eggs per hour](#), and are expected to last 20-30 years. Males are removed earlier, freeing roughly 30% of incubator capacity and reducing associated energy and labor costs. [28% of eggs in the European Union are screened this way](#), costing less than [one additional cent per table egg compared to conventional sexing](#). 3 U.S. facilities online since 2024, with in-ovo sexed eggs already on grocery shelves in 28 states.

THE BOTTLENECK: HIGH CAPITAL COSTS, THIN MARGINS

Upgrading hatching facilities with this technology **would unlock economies of scale and operational innovations** that experts expect to eventually drive costs below current methods. However, businesses chronically underinvest due to high upfront costs in an industry where efficiency gains are mostly competed away at consumers' benefit. The result: drawn-out adoption to test workflows and manage risk, delaying lower prices for Americans.

THE LEGISLATION: TAX CREDIT FOR IN-OVO SEXING EQUIPMENT

The EGG SAVE Act provides a temporary tax credit to accelerate voluntary adoption:

- 50% credit on year 1 of bill enactment; 40% year 2; 30% year 3. Credits expire Dec 31 of year 3.
- Covers equipment purchase, installation, and facility modifications.
- Bill text reviewed by staff at Ways and Means and House Agriculture Committee.
- Tech-neutral: any equipment achieving $\geq 95\%$ accuracy qualifies.
- **Expected foregone revenue: \$119M** (official JCT score).

SUPPORT

Bipartisan. No opposition. Officially endorsed by [Hy-Line International](#)—which hatches ~70% of U.S. egg-laying chickens—and [Americans for the Common Good](#).

For more information or to cosponsor, contact Alex Schroder via Alex.Schroder@mail.house.gov at the office of Rep. Nicole Malliotakis.