

Deadline for National, Regional, and State Organizations to Sign: COB Friday, March 10
To Sign, Please Contact Christy Seyfert, American Soybean Association, at cseyfert@soy.org

March XX, 2023

The Honorable Sheldon Whitehouse
Chairman
U.S. Senate Committee on Budget
Washington, D.C. 20510

The Honorable Jodey Arrington
Chairman
U.S. House Committee on Budget
Washington, D.C. 20515

The Honorable Chuck Grassley
Ranking Member
U.S. Senate Committee on Budget
Washington, D.C. 20510

The Honorable Brendan Boyle
Ranking Member
U.S. House Committee on Budget
Washington, D.C. 20515

Dear Chairmen Whitehouse and Arrington and Ranking Members Grassley and Boyle:

As you develop the fiscal year 2024 budget in this farm bill reauthorization year, we write to express our strong support for providing the Senate Committee on Agriculture, Nutrition, and Forestry and House Committee on Agriculture with sufficient budgetary resources to write a new bipartisan, multi-year, comprehensive, and meaningful piece of legislation.

Just as there are many pressures on the federal budget, there are many pressures on U.S. farmers and others throughout the agricultural supply chain who provide food, feed, fuel, and fiber to consumers across the United States and abroad.

According to the U.S. Department of Agriculture (USDA), international sales of U.S. farm and food products reached \$196 billion in 2022. The leading market for these products is marked with geopolitical volatility: China. During the trade war with China that began in 2018, U.S. agriculture endured significant market impacts, which unfortunately revealed gaps in the farm safety net. If a trade war with our largest trading partner hardly triggered the farm safety net provided in the current farm bill – a Title I safety net that has been shrinking over the past 20 years – it is difficult to envision a scenario that would provide meaningful assistance without significant improvements. Continuing rising tensions with this important trading partner underscore the need in the next farm bill for a more meaningful, predictable farm safety net and the need to invest more into trade promotion programs to help diversify agricultural markets.

Market volatility with China is only one example of the many disruptions impacting U.S. agriculture during the life of the current farm bill. The Russian invasion of Ukraine, COVID-19 and other supply chain disruptions, non-tariff trade barriers erected by multiple countries, and devastating natural disasters have tested the effectiveness of current farm policy. Increased production input costs have as well, with USDA projecting that most expense categories will remain above their 2021 levels in 2023 both in nominal and inflation-adjusted dollars. These projected high input costs, coupled with lower projections for many crop cash receipts, are cause for concern for farm country: USDA's February 2023 Farm Income Forecast publication projects a 20.7 percent decline in net cash farm income in 2023 relative to 2022.

Projections such as this, when realized, often result in financial stress and calls for ad hoc or supplemental disaster assistance to farmers and ranchers – that is, assistance outside of the farm bill. In fact, between 2018-2021, ad hoc assistance made up approximately 70% of direct farm payments due to challenges described above. Ad hoc assistance is necessary in times of need but is not a timely, reliable, or predictable safety net for farmers and ranchers. The upcoming farm bill reauthorization provides an opportunity to address very real needs in agriculture and rely less on off-budget ad hoc assistance.

In addition to needs highlighted above, farm bill budget resources are needed for protecting and enhancing crop insurance to assist with volatile weather and crop loss, improving access to voluntary conservation incentives, addressing rural development needs, investing in research for innovation and competitiveness, providing opportunities to help the nation become more energy independent and food secure, and supporting solutions to address logistics challenges.

Sufficient budgetary resources will be needed to craft a new bipartisan, multi-year, comprehensive, and meaningful piece of legislation. As you work to build the federal budget for fiscal year 2024, we seek your support for providing sufficient resources to the committees to craft the next farm bill.

Sincerely,

(National, regional, state organizations as of 3/7/23 9 am)

National Associations

Agricultural Retailers Association
American Agri-Women
American Farm Bureau Federation
American Pulse Association
American Society of Farm Managers and Rural Appraisers
American Soybean Association
American Sugar Alliance
Cotton Growers Warehouse Association
Cotton Warehouse Association of America
Crop Insurance Professionals Association
Ducks Unlimited
Farm Credit Council
Independent Community Bankers of America
International Fresh Produce Association
National Alfalfa & Forage Alliance
National Association of Conservation Districts
National Association of State Departments of Agriculture
National Barley Growers Association
National Corn Growers Association
National Council of Farmer Cooperatives
National Grain and Feed Association
National Milk Producers Federation
National Pork Producers Council

National Sorghum Producers
National Sunflower Association
North American Meat Institute
The Fertilizer Institute
U.S. Canola Association
USA Dry Pea & Lentil Council

State and Regional Associations

Arkansas Soybean Association
Illinois Corn Growers Association
Illinois Soybean Association
Iowa Corn Growers Association
Iowa Soybean Association
Kansas Corn Growers Association
Kansas Soybean Association
Louisiana Farm Bureau Federation
Michigan Soybean Association
Mid-Atlantic Soybean Association
Midwest Council on Agriculture
Midwest Forage Association
Minnesota Canola Council
Missouri Soybean Association
Nebraska Corn Growers Association
Nebraska Soybean Association
New York Corn & Soybean Growers Association
North Carolina Soybean Producers Association
North Dakota Corn Growers Association
North Dakota Soybean Growers Association
Ohio Soybean Association
Panhandle Peanut Growers Association
Plains Cotton Growers, Inc.
PNW Canola Association
South Carolina Corn & Soybean Association
Southeastern Cotton Ginners Association, Inc.
Southwest Council of Agribusiness
Texas Corn Producers Association
Texas Soybean Association
Virginia Soybean Association
Western Peanut Growers Association

CC: Members of the Senate Committee on Budget
 Members of the House Committee on Budget
 Members of the Senate Committee on Agriculture, Nutrition, and Forestry
 Members of the House Committee on Agriculture