September 7, 2012

The Honorable Harry Reid Majority Leader United States Senate Washington, DC 20510

The Honorable Mitch McConnell Minority Leader United States Senate Washington, DC 20510

Dear Majority Leader Reid and Minority Leader McConnell:

The undersigned farm organizations support finding a path forward to reaching agreement on a new five-year farm bill before current program authorities expire on Sept. 30. We were disappointed that the House did not consider the House Agriculture Committee's bill before the August recess. That bill, and the bill passed by the Senate in June, would provide the disaster relief our farm and ranch families need at this time.

Instead, the House passed a separate disaster bill just before the recess that would make supplemental agricultural disaster assistance available for Fiscal Year 2012. Specifically, the bill would retroactively extend the Livestock Indemnity Program (LIP), the Livestock Forage Program (LFP), the Emergency Livestock Assistance Program (ELAP) and the Tree Assistance Program (TAP) so that producers are helped for Fiscal Year 2012. All of those programs expired in 2011. Offsets to pay for the disaster assistance would come from imposing caps on two conservation programs, the Conservation Stewardship Program (CSP) and the Environmental Quality Incentives Program (EQIP).

We know that some Senators will return from the recess and encourage you to consider the House-passed measure. This is something our groups do not support. We strongly urge you to refrain from this as we fear that passage of a bill similar to the House bill could result in further delays in completing a full five-year farm bill.

In addition, almost identical provisions to retroactively extend these four programs are included in the Senate-passed farm bill and the bill reported by the House Agriculture Committee, and these provisions are paid for in the context of the measures included in the disaster bill. Those measures would likely be included in any conference committee report. It is imperative that we pass a comprehensive, long-term farm bill. Farmers and ranchers always face decisions that carry very serious financial ramifications, such as planting a crop, buying land or building a herd, and we need clear and confident signals from our lawmakers.

Assistance for cattle and sheep producers is very important, and we strongly support helping them in the five-year farm bill, but it is also important to provide assistance to producers of other types of livestock and fruits and vegetables. The House disaster assistance bill does not help hog or poultry producers and only provides limited assistance via the grazing program for the dairy

industry. The bill does not help dairy producers who are not located in a designated disaster county with grazing assistance and does not address high feed prices for dairy, hog or poultry producers. Many producers of fruits and vegetables may not have crop insurance available to them as a risk management tool, and they too need some type of help, which this package does not address. The Senate-passed farm bill contains many new, improved and reauthorized risk management tools. It is a more comprehensive response to this year's and future years' drought and other disasters that impact crop and livestock production.

The Congressional Budget Office scored the House-passed disaster bill as costing \$383 million. That expense is offset by cuts of \$639 million from the CSP and EQIP programs, leaving \$256 million to go towards deficit reduction. If the House simply passed the five-year farm bill passed by the committee on a bipartisan basis, this disaster bill would not be necessary. The bill costs more than \$600 million and would not provide relief to livestock producers less than a month earlier than a farm bill debated and passed in September. Agriculture will already contribute a minimum of \$23 billion in deficit reduction by passing the farm bill. We do not need to provide additional deficit reduction in this package only month before we reduce the deficit far more than agriculture's "fair share."

Both the Senate and the House Agriculture Committees have produced reform-minded, bipartisan bills that address many of the core principles we believe are important, such as strengthening crop insurance as a reliable risk management tool. We remain committed to attempting to pass a five-year farm bill as soon as possible, including the long-term provisions it includes, which would help alleviate the emergency conditions we are seeing across the country.

American Farm Bureau Federation
American Soybean Association
National Association of Wheat Growers
National Barley Growers Association
National Corn Growers Association
National Farmers Union
National Milk Producers Federation
National Sunflower Association
Northarvest Bean Growers Association
United Fresh Produce Association
U.S. Canola Association
USA Dry Pea & Lentil Council
Western Growers