

United States Senate

WASHINGTON, DC 20510

September 5, 2018

The Honorable Pat Roberts
Chairman
Senate Committee on Agriculture, Nutrition,
and Forestry
328A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Debbie Stabenow
Ranking Member
Senate Committee on Agriculture, Nutrition,
and Forestry
328A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Michael Conaway
Chairman
House Committee on Agriculture
1301 Longworth House Office Building
Washington, D.C. 20515

The Honorable Collin Peterson
Ranking Member
House Committee on Agriculture
1301 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Roberts, Ranking Member Stabenow, Chairman Conaway, and Ranking Member Peterson:

As you convene to reconcile the House and Senate versions of the Farm Bill, I write to request the inclusion of key provisions that are of great importance to Wisconsin. As with many states, our farmers are facing substantial hardship from low prices and trade disruptions. For Wisconsin's dairy farmers, low prices and trade uncertainty are exacerbated by an oversupply of milk, due in part to unfair trade practices Canada imposed starting in 2016. In the past year we have lost 602 dairy farms, and many more are facing very difficult decisions about the future of their farms. Given these challenges and uncertainty, it is extremely important that we get a Farm Bill done on time this year, so that Congress is not adding further strain to an already difficult situation.

As our dairy farmers work through these challenging times, it is crucial they have strong and effective tools to manage the uncertainty and the ups-and-downs of dairy markets. In particular, I urge you to adopt improvements included in the Senate bill to help dairy farmers. This should include the Senate's strong improvements to the Margin Protection Program (MPP) that will help family dairy farmers have meaningful coverage when times get tough. This should also include lower premiums for better coverage on the first five million pounds of production and affordable rates for our small and midsize family farms, which are less able to utilize the risk management tools larger farms often use. I strongly encourage you to ensure farmers have the opportunity to adjust their coverage annually as included in the Senate bill, rather than locking them into the program for five years as the House bill requires.

I also urge you to ensure that farmers have the option to utilize multiple dairy risk management tools at the same time, to find the mix of protection that works best for their operation. I encourage you to adopt the Senate provisions to refund the millions of dollars of MPP premiums dairy farmers paid to use the previous version of the program, which failed to provide meaningful coverage when prices dropped. Dairy farmers paid millions into the Treasury without getting the promised risk coverage in return. This is unfair and came at the time that

farmers needed the risk coverage most. We should do right by our dairy farmers and return their premiums.

As the dairy industry works to address its oversupply issues, we should also invest in innovation in the sector, to accelerate market-based responses to the challenges the industry is facing. I urge you to include the bipartisan Senate provisions from the Dairy Business Innovation Act, so that our rural entrepreneurs, farmers, and dairy processors have the technical assistance and tools to develop new products, improve processes, and innovate in marketing. This will help find a home for the surplus milk we have, add value to the milk our farmers produce, and benefit the rural economy. These provisions are widely supported across the dairy sector, including by farmers and processors.

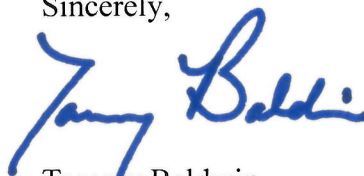
In addition to provisions that address the challenges our dairy farmers face, we must continue making strong investments in risk management tools used to protect crops and the health of our soil and water. Crop insurance for commodity crops and specialty crops is crucial to ensuring that one bad hailstorm or difficult spring doesn't put our farmers out of business. Working lands conservation programs are also very important for assisting farmers in their work as stewards of soil health and water quality. When crop and dairy margins are low, it is especially important that we continue robust investments in conservation for the long-term viability of our agriculture sector. As farmers face the volatility of extreme weather events, abrupt shifts in export markets, and the challenges of low prices, risk management tools are key to ensuring they can continue to contribute to their local area and the state economy.

Given the surplus of agriculture products and the volatility in export markets, I believe we must invest in new market development both at home and abroad, and that we must ensure a fair playing field for American farmers. I encourage you to prioritize strong funding for export assistance programs that help farmers, rural businesses, and cooperatives to develop markets abroad. I also urge you to include the provisions from the Senate Organic Farmer and Consumer Protection Act, which would crack down on fraudulent organic products being imported into the U.S. and ensure our organic farmers are not being undercut by substandard imports that don't meet the exacting standards our farmers abide by.

Finally, it is vital that we recognize how the strains and challenges of the agriculture economy and trade uncertainty are contributing to stress in our farm families and in the agriculture sector. Farmers are the backbone of our rural economy and leaders in our rural communities. When there is a crisis on the farm, farmers should know they are not alone. I urge you to include the bipartisan FARMERS FIRST Act in the final version of the bill in order to provide the people who grow our nation's food, fiber, and biofuel with critical support and resources to help them find a path through tough times. This bipartisan reform will provide funding for local resources and expand access to stress reduction strategies and suicide prevention programs to help tackle high rates of suicide and save lives.

Thank you for your work to get a Farm Bill done on time, and for your consideration of these important provisions.

Sincerely,



Tammy Baldwin
United States Senator