

Congress of the United States
Washington, DC 20515

May 29, 2020

The Honorable Sonny Perdue
United States Department of Agriculture
1400 Independence Avenue
Washington, D.C. 20250

Dear Secretary Perdue,

On behalf of the undersigned members who represent cattle-producing districts, we request that you immediately provide flexibility to allow producers that sold cattle after April 15, 2020 eligibility for Coronavirus Food Assistance Program (CFAP) payments for sales. We also request a detailed explanation and the methodology used in the selection of the date to differentiate between CFAP payments for sales and CFAP payments for inventory.

The details included in the May 19 announcement of CFAP create significant disparities for many cattle producers, particularly those who sold their animals after April 15. For producers who have marketed cattle since April 15, USDA's choice of that particular date is potentially devastating to their operations.

For some cow/calf and stocker producers, the spring sale of calves is the only income from their cattle herd for the year, and now any who sold after April 15 are immediately harmed by USDA's program design. According to USDA Agricultural Marketing Service (AMS) data, 1.55 million feeder and stocker calves have been marketed for the weeks ending from April 17 through May 22. Millions more calves will continue to be marketed in coming weeks, and those producers will continue to be impacted by both the dramatic price decline in recent months and USDA's failure to adequately design a program that responds to those losses.

Many small farmer-feeders are similarly harmed by USDA's choice of an April 15 date for CFAP. Due to the severe reduction in idling or closures at packing plants that dramatically reduced U.S. cattle slaughter capacity, many small farmer-feeder operations had to hold market-ready cattle for an extended time and now must sell those cattle as soon as slaughter capacity is available for those animals. Therefore, many of these producers sold at lower prices after the April 15 CFAP date. According to USDA AMS data, approximately 2.9 million head of cattle were slaughtered for the weeks ending April 17 through May 23. Slaughter will continue in the weeks ahead, and live cattle prices remain impacted in the wake of slaughter disruptions.

Furthermore, price declines began in feeder and live cattle markets in mid-March, and even in late May, price recovery remains modest from lows in April, and well below the 5% price decline threshold set by USDA to allow commodities to be eligible for CFAP. For some cattle futures contracts, prices in late April were nearly as low as the lows achieved in March and April. Producers who sold at prices lowered as a result of the COVID-19 pandemic should be eligible for USDA's response in CFAP, regardless of if those sales were before or after an arbitrary April 15 date.

Congress has entrusted you with significant resources to support agricultural producers affected by COVID-19. We are disappointed that the current rollout appears to significantly miss the mark for many impacted cattle producers, and we implore you to provide flexibility to address this shortcoming immediately.

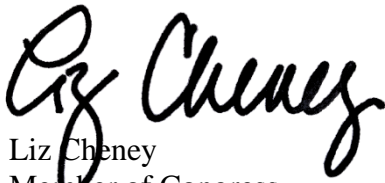
Sincerely,



Rick Crawford
Member of Congress



K. Michael Conaway
Member of Congress



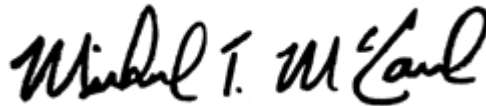
Liz Cheney
Member of Congress



Mac Thornberry
Member of Congress



Steve Womack
Member of Congress



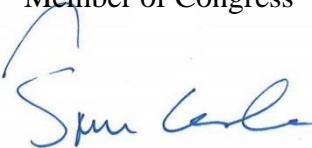
Michael McCaul
Member of Congress



Rodney Davis
Member of Congress



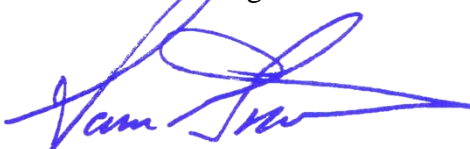
Rob Bishop
Member of Congress



Tom Cole
Member of Congress



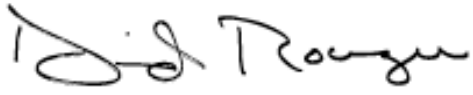
Frank D. Lucas
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Sam Graves
Member of Congress



Devin Nunes
Member of Congress



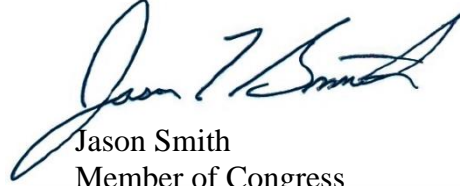
David Rouzer
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Dusty Johnson
Member of Congress



Roger Marshall, M.D.
Member of Congress



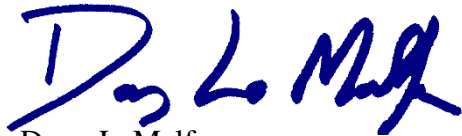
Jason Smith
Member of Congress



Jim Hagedorn
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Austin Scott
Member of Congress



Doug LaMalfa
Member of Congress



Adrian Smith
Member of Congress



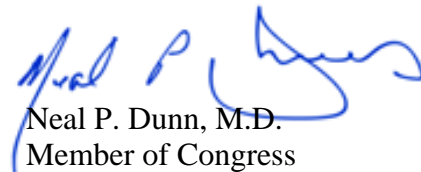
James Comer
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Scott DesJarlais, M.D.
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Kelly Armstrong
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