

March 17, 2020

The Honorable Sonny Perdue
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Mr. Secretary:

As President of American Farm Bureau Federation, I want to extend to you and the entire Administration our support, commitment and dedication in helping you combat the health challenge now facing our country. America's farmers and ranchers will be with you every step of the way, doing all that we can to help you win this fight and to ensure the health, safety and prosperity of all America.

The nation is now responding to the President's call for strict measures in response to the coronavirus. At the same time, we are hearing reports from around the country from our members about specific issues that challenge their ability to put food on America's tables. I am writing to bring these matters to your attention so that, as you develop and refine plans to deal with COVID-19, you can do everything possible to help farmers and ranchers continue to grow, harvest and market their production.

Note: This letter relates concerns and issues that have arisen in the last 48 hours. We fully expect to get ongoing reports from our members across the U.S. We will share those with you as they reach us. We also want to invite a continuous dialogue with you and your staff so that the agricultural community can meet the needs of all Americans.

Initial List of Priority Items

- **H-2A Program**

Yesterday, the State Department announced that the U.S. Embassy in Mexico City and all U.S. consulates in Mexico will suspend routine immigrant and nonimmigrant visa services starting March 18, 2020, and until further notice. According to the announcement, the U.S. Embassy and consulates will continue to provide essential consular services to U.S. citizens as well as emergency visa services.

This is a critical matter for U.S. farmers and ranchers. More than a quarter-million individuals participate in the H-2A program and help to sustain U.S. farms and ranches. We urge the Administration to find an appropriate mechanism, either through an emergency waiver or some other means, to ensure that H-2A workers may continue to safely come to America's farms and ranches.

- **Supply-chain Concerns**

- As companies adopt social distancing policies in keeping with health directives, this mode of work could have a significant impact on the processing plants that drive America's supply chain. Anecdotal reports of potential shutdowns or reduced operating capacity for processing facilities (such as meat packing plants, dairy processors or ethanol plants) have led to lower cash prices for many farmers at a time when retail prices are rising. This situation must be monitored closely, and problems should be addressed promptly as they arise.
- Exports are a vital component of the economic health of the agricultural sector. A key component of ensuring exports is having enough USDA inspectors for agricultural cargoes to be shipped.
- Seeds, fertilizer and crop protection products also are critically affected by the supply chain. While many farmers may already have these supplies on hand as planting begins across the U.S., USDA should prioritize protecting the supply chain throughout the agricultural sector and ensuring it continues to work effectively and smoothly.
- While the current FMCSA Emergency Declaration provides regulatory relief of Hours of Service (HOS) regulations, the declaration currently applies only to "food for emergency restocking of stores." It does not address the entire supply chain including the movement of livestock and poultry to processing facilities; movement of grain, feed, and medication for both livestock and poultry; or movement of perishable and non-perishable foods and beverages to manufacturing facilities, distribution centers, restaurants and other locations. We request a federal waiver to HOS rules allowing for flexibility for transportation within the food and agriculture sectors that will benefit the entire U.S. and allow for business continuity.

- **Livestock Concerns**

- Members of the livestock sector have heightened anxiety about potential manipulation in livestock markets. To illustrate this challenge, it is noteworthy that only earlier today, before the market rose, cattle and hog futures were down nearly 30 percent since the virus was first confirmed in China. We strongly urge USDA's Agricultural Marketing Service to monitor this situation to ensure that price manipulation does not occur. AFBF has been in communication with the Commodity Futures Trading Commission, which has oversight over these spot markets, and we will continue that dialogue.

- It is critical that federal graders at livestock markets and federal meat inspectors at packing plants retain the ability to work and serve those markets. They are essential to the flow of business in the livestock markets.
- For many livestock producers, Farm Service Agency loan payments are due now. Can USDA consider temporary relief (such as deferment or loan adjustment) to help producers respond to the impact the pandemic is having on normal marketing and prices?

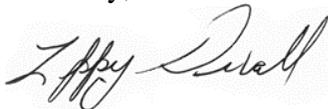
- **Market disruptions**

Some farmers in fresh produce are reporting possible dumping of produce from countries outside the U.S. as producers in those nations deal with the same market challenges we face in the U.S. USDA should work with appropriate federal agencies to ensure that U.S. farmers are not unfairly disadvantaged during this unique period.

- USDA's extensive reach into rural communities can help reinforce the critical need to follow CDC guidance on social distancing and other matters. This is particularly critical for the rural health care system, which will face potentially insurmountable challenges if we cannot "bend the curve" in rural communities.

Thank you for your consideration of these matters. Because this situation is changing rapidly, I envision further communication with you and your staff – in days, if not in hours. We applaud your leadership and commitment and stand ready to work with you as our nation meets this unique challenge.

Sincerely,



Zippy Duvall
President