

Moran & Senators Urge President Trump to Address Payment Limits for Farmers and Ranchers

U.S. Senators Jerry Moran (R-Kan.) and Dianne Feinstein (D-Calif.) today sent a letter to President Trump urging him to eliminate payment limits for livestock, dairy and specialty crop producers in the Coronavirus Food Assistance Program (CFAP).

The COVID-19 crisis has caused significant damage to agriculture operations across the country. The CARES Act provided \$23.5 billion to support farmers and ranchers, including \$9.5 billion for livestock, dairy and specialty crop producers, as well as farmers supplying local food systems. This assistance provided through the CFAP will help provide farmers and ranchers with critical relief. However, the payment limits included in the CFAP will significantly reduce the program's effectiveness for many family-owned farms and ranches facing unprecedented losses due to the COVID-19 crisis.

"The COVID-19 crisis has caused unprecedented damage to the livestock, dairy and specialty crop industries," the Senators wrote. "Agricultural economists have estimated over \$13 billion in harm to the cattle industry and \$5 billion to the pork industry due to the pandemic, with many billions more in injury to dairies, fruit, nut, and vegetable producers, and the horticulture and floriculture industry. As is true for many other small businesses across the country, this financial harm comes through no fault of these farmers and ranchers, nor is it the result of typical market forces. As such, these relief payments should aim to indemnify as much loss as possible without restrictive payment limitations."

This letter was cosigned by Senators Pat Roberts (R-Kan.), Ron Wyden (D-Ore.), James Risch (R-Idaho), Doug Jones (D-Ala.), Mike Crapo (R-Idaho), Bob Menendez (D-N.J.), Thom Tillis (R-N.C.), Kyrsten Sinema (D-Ariz.), John Barrasso (R-Wyo.), Jeff Merkley (D-Ore.), Cory Gardner (R-Colo.), Tom Udall (D-N.M.), Kevin Cramer (R-N.D.), Michael Bennet (D-Colo.), David Perdue (R-Ga.), Tammy Duckworth (D-Ill.), Joni Ernst (R-Iowa), Patty Murray (D-Wash.), Martha McSally (R-Ariz.), Martin Heinrich (D-N.M.), Deb Fischer (R-Neb.), John Cornyn (R-Texas), Roy Blunt (R-Mo.), Todd Young (R-Ind.), Richard Burr (R-N.C.), and Kelly Loeffler (R-Ga.).

This letter is supported by the American Farm Bureau Federation, AmericanHort, American Sugar Alliance, Farm Credit Council, Florida Fruit & Vegetable Association, National Cattlemen's Beef Association, National Council of Farmer Cooperatives, National Milk Producers Federation, National Pork Producers Council, National Potato Council, United Fresh Produce Association, U.S. Cattlemen's Association, and Western Growers Association.

The full letter can be found [here](#) or below.

President Donald J. Trump

The White House

1600 Pennsylvania Ave, NW

Washington, D.C. 20500

Dear President Trump,

Thank you for your announcement of the Coronavirus Food Assistance Program (CFAP). For many family agricultural operations, this support will mean they are able to stay in business and pass farms and ranches on to the next generation of producers in spite of these challenging times.

However, we are concerned about the \$125,000 per commodity and \$250,000 per individual or entity payment limits as it relates to assistance for the livestock, dairy and specialty crop sectors. This limitation would severely restrict the program's effectiveness for many family-owned farms and ranches across the nation. We strongly urge you to eliminate payment limits for livestock, dairy and specialty crop producers before the final CFAP program details are announced.

The COVID-19 crisis has caused unprecedented damage to the livestock, dairy and specialty crop industries. Agricultural economists have estimated over \$13 billion in harm to the cattle industry and \$5 billion to the pork industry due to the pandemic, with many billions more in injury to dairies, fruit, nut, and vegetable producers, and the horticulture and floriculture industry. As is true for many other small businesses across the country, this financial harm comes through no fault of these farmers and ranchers, nor is it the result of typical market forces. As such, these relief payments should aim to indemnify as much loss as possible without restrictive payment limitations.

While some farmers and ranchers produce multiple commodities, and therefore will be eligible for up to the \$250,000 total payment limit per individual or entity, many cattle, pork and dairy operations are solely invested in livestock. This common business practice within the cattle, pork and dairy industries of being invested in a single commodity means this payment limit structure will be even more severe for these producers compared to other commodities. Fruit and vegetable producers by comparison can have very high costs of production—strawberry producers can invest \$30,000 an acre for example—and thus payment limits of this level are too restrictive to meaningfully address the losses many producers are facing.

It is critical for USDA to provide a level of support that is responsive to the disaster situation producers are currently facing. As you know, Congress approved \$14 billion in the CARES Act to partially replenish the Commodity Credit Corporation and we believe that a significant portion of these dollars should be used to ensure that needs are met, even if the payments must be paid in tranches.

We appreciate the support you and Secretary Perdue have provided farmers and ranchers, and we look forward to working with you make certain agricultural producers receive the level of assistance necessary in response to COVID-19.