

United States Senate

WASHINGTON, DC 20510-3205

January 30, 2019

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

Dear Secretary Perdue,

As you begin the process of implementing the Agriculture Improvement Act of 2018 (Farm Bill), I write to urge you to prioritize the interests and well-being of the American dairy producer. The Farm Bill contains significant enhancements to many programs, the implementation of which will create competing demands on US Department of Agriculture (USDA) staff and Office of Management and Budget (OMB) resources. This strain will be exacerbated by the recent 35-day government shutdown that limited opportunities for the Agency to develop policy and engage with producers. Even as several Farm Bill provisions have statutory defined deadlines that are rapidly approaching, it is imperative that you devote all necessary USDA resources to ensure the implementation of the Farm Bill dairy provisions as soon as possible, in a manner that supports all dairy farmers.

Our dairy farmers have suffered five years of low milk prices, contracting global demand, increasing labor instability, and fewer pathways to market the milk they produce. Because this continues to be a time of unprecedented distress on dairy farms in every state, failure to provide immediate relief may condemn hundreds of dairy farms and farm families to financial ruin. Congress and the President have acted to pass a Farm Bill that improves dairy risk management tools and makes those tools more affordable by refunding a portion of the premiums farmers previously paid for the Dairy Margin Protection Program (MPP). It is incumbent on USDA to complete this vital work. Therefore, I ask that you:

1. Direct the Farm Service Agency (FSA) to open the DMC enrollment period to permit farmers access to improved risk management options without delay
2. Provide guidance to FSA staff on how they should:
 - a. Issue direct premium refunds to farmers who purchased MPP coverage for any of the calendar years from 2014 through 2017
 - b. Assist farmers who wish to apply their premium refunds towards the purchase of a new DMC policy
 - c. Communicate to dairy producers about the availability of premium refunds through USDA websites, FSAfarm+, and targeted outreach to farmer-focused media and information resources

3. Update the Margin Protection Program Decision Tool for the DMC to reflect the changes to premiums and coverage levels made through the 2018 Farm Bill so that farmers can best determine which level of protection is most appropriate for their operation.

I know that you understand and share my sense of urgency to assist our dairy produces with all the tools and resources they need to do what they do best; provide affordable, wholesome milk, in every part of the country. I am certain that you will seize this opportunity to fulfill the USDA motto, "Do right and feed everyone," and deliver for our farmers.

Sincerely,



Kirsten Gillibrand
United States Senate