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December 1, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
U.S. Capitol Building, Room S-230 Washington, DC 20510

Dear Majority Leader McConnell:

Thank you for your leadership on behalf of rural America and our nation's farmers and ranchers.

As you know, U.S. agriculture is now well into its seventh straight year of economic recession, with estimates showing overall debt held by producers standing at \$434 billion this year, the highest since the 1980s farm financial crisis. Debt to asset, debt to equity, and equity to asset ratios are their worst in 15 years. While commodity prices have recently strengthened somewhat and some producers have had a good harvest, the agriculture economy remains fragile and will take time to recover after the battering it has taken.

We shudder to think what conditions in agriculture would look like today without the aid provided to address retaliatory tariffs, COVID-19 losses, and losses due to record-setting natural disasters in 2017, 2018, and 2019. Thank you for the role you have played in delivering this critical relief.

As you continue work relative to an omnibus appropriations bill to conclude the FY 2021 appropriations process and further COVID-19 relief, we strongly urge you to include relief for agriculture yet this year. Both the House HEROES Act and the Senate HEALS Act rightly propose further assistance for U.S. farmers and ranchers and we hope that any phase IV COVID-19 legislation would ultimately contain additional relief. However, if such legislation does not materialize this year, we would urge you to include agriculture relief in the context of an FY 2021 omnibus appropriations package.

In providing relief, we urge that you work to help producers recover at least 85 percent of their losses, as contemplated under relief legislation to date and that you address some of the issues producers confronted under relief provided thus far, including all livestock, disregarding crop marketing percentages, and including crop insurance and disaster payments made with respect to sales loss commodities in determining the amount of sales. These modifications would go a long way in helping livestock, specialty crop, and row crop producers alike. In the case of row crops, for example, relief to producers has covered only about 37 percent of estimated losses, compared to the 85 percent envisioned. Providing help to critical agriculture infrastructure, including textile mills and ethanol producers, is also extremely important to economic recovery in agriculture. Providing more flexible payment limitations and means testing for these commodity end users as well as specialty crop, dairy, and livestock producers would also help ensure that relief more closely approximates the recovery of 85 percent of losses targeted.

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Finally, recognizing that the nation has experienced another string of extraordinary natural disasters, including wildfires, hurricanes, derechos, and drought, to name only a few, we urge that the Wildfire and Hurricane Indemnity Program Plus (WHIP+) be extended and enhanced in order to cover 2020 crop losses. From an estimated \$366 million in early losses from Hurricane Hannah to a gripping drought that continues even now, the losses suffered by producers in the Southwest region have been even more damaging in 2020 than those experienced in previous years for which WHIP+ was authorized. Given that WHIP+ needs additional funds to complete its commitment for 2019, we would strongly urge the authority and funding be extended for 2020 as well so that all producers suffering losses during these extraordinary times are treated equitably.

Once again, thank you for your leadership on behalf of rural America and our nation's farmers and ranchers. Without your assistance, countless farm and ranch families could not have weathered what Mother Nature, China, and a pandemic have dealt U.S. agriculture.

Sincerely,

A handwritten signature in blue ink that reads "Lance Raun". The signature is written in a cursive style and is positioned above the typed name and title.

L.G. Raun
President