Congress of the United States

Washington, DC 20510

April 17, 2020

Sonny Perdue Secretary of Agriculture United States Department of Agriculture 1400 Independence Ave., S.W. Washington, DC 20250

Dear Secretary Perdue,

We write in support of the Maine and New Hampshire dairy industries as the U.S. Department of Agriculture (USDA) works to implement the provisions of the CARES Act (PL 16-136) that allocated \$9.5 billion for agricultural assistance and an additional \$14 billion for the Commodity Credit Corporation. We appreciate that USDA is focusing on assisting farmers and keeping Americans fed during this uncertain time, two priorities with which we strongly agree. At a time when the entire agricultural sector is facing economic harm and uncertainty, USDA should ensure that dairy farmers are provided with stabilizing assistance. To illustrate the need for urgent action, recent Boston Blend price estimates are at \$15.50 per hundredweight – which accounts for a reduction of 20% in farmer revenue – an unsustainable reality for our small dairy farms in the Northeast.

On April 8, several state agriculture commissioners including Maine's Commissioner Amanda Beal and New Hampshire's Commissioner Shawn Jasper, sent a letter to USDA requesting assistance for dairy farms. Their requests, which we support, include:

- Direct payments to dairy farmers, like the Market Facilitation Program, of at least \$0.50/cwt;
- Utilize USDA Section 32 authority to purchase additional dairy products for emergency distribution through The Emergency Food Assistance Program;
- If Congress were to reopen and make the Dairy Margin Coverage retroactive, consider lowering the premium levels and allowing a buy up for farms that did register for the program at the end of 2019;
- Consider setting a floor for the Statistical Uniform Price in Federal Order Number 1 at \$19.50 /cwt. for the months of April, May, June and July. This is the difference in federal order price versus \$19.50 made in direct payments to dairy farmers. Dairy farm attrition is predicted to be enormous across the country floor price needed to secure the food chain for dairy farms and dairy products. Consider a floor for Organic Dairy Pricing of \$35.00/cwt; and
- Consider setting a floor for the dairy commodity prices (butter, nonfat dry milk, cheddar blocks and barrels, dry whey) to ensure a sufficient return to dairy coops/processors who are taking additional financial burden when spending increasing amount of money (wages, prevention, transportation) on getting product to consumers.

We urge USDA to work with our Commissioners on evaluating and implementing the methods above in order to expeditiously help dairy operations in the Northeast. These farmers are essential employees

working hard to produce the milk and dairy products our country needs during this pandemic, and we must do everything we can to quickly deliver the support that they need.

Thank you for your consideration of our request.

Sincerely,

Susan M. Collins United States Senator

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Jeanne Shaheen United States Senator

Jeanne Shakeen

Angus S. King Jr.
United States Senator

Margaret Wood Hassan United States Senator

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Ann L. McLane Kuster

Member of Congress

Chellie Pingree Member of Congress

Jared Golden

Member of Congress

Chris Pappas

Member of Congress

Caris Pappas