

May 16, 2019

Dear Secretary Perdue:

Texas Corn Producers Association (TCPA), on behalf of its membership of corn farmers across the state, appreciates the administration's commitment to standing behind America's farmers during these troublesome times.



While farmers would prefer earning their livelihoods through an open marketplace, rather than a relief payment, TCPA is pleased the administration acknowledges the detrimental impact ongoing trade disruptions have on farmers, their businesses, and the agricultural industry as a whole. Texas farmers have seed in the ground, and corn reaching end stages in parts of the state – for them, it's not a matter of *if* an uncertain trade market will impact their bottom line, but *how much*.

As headlines continue to be filled with solemn news on the trade front, farmers welcomed the president's commitment of \$15 billion to alleviate the repercussions of drawn out trade talks.

Tariffs and trade disputes with China. Uncertainty in the North American export market. Corn products such as livestock and ethanol facing reduced market opportunities. Steadily increasing input costs. Diminishing commodity prices. These issues and more culminate to a dire circumstance for corn farmers and the agricultural industry – putting the financial certainty of America's farmers and domestic food production at risk. The fallout from these issues reaches beyond just one agricultural commodity, and farther than simply a lost market.

TCPA urges an equitable approach to aid that:

1. Takes into consideration cost increases, as well as price declines.
2. Utilizes 2018 data in effort to efficiently get funds in the hands of farmers now, and determines payments on a farmer's recent history of the higher of:
  - a. Actual 2018 Yield, or
  - b. Actual Production History (APH), or
  - c. Price Loss Coverage yield.
3. Excludes payment limits at a critical time for all American farmers.

**TCPA encourages the U.S. Department of Agriculture (USDA) to determine equitable aid allotments for *all program commodities* in its new aid package.**

We feel keeping these three factors in mind is essential to diminishing further commotion in the agricultural marketplace. A trade hurdle for any one commodity creates a ripple effect that is felt throughout the agricultural industry. TCPA urges USDA to use equitable methods of mitigating farm losses in light of the continued predicament farmers face.

Thank you for your consideration of these recommendations for the pending trade aid. Recognizing the role trade disruptions play in the plight of farmers, trade aid is much-needed across the board for **all program commodities**. TCPA and its farmers appreciate your efforts to help America's farmers weather the storm.

Sincerely,

Wesley Spurlock, President  
David Gibson, Executive Vice President

cc: President Donald Trump  
Under Secretary for Farm Production and Conservation Bill Northey  
USDA Chief Economist Robert Johansson  
Under Secretary for Trade and Foreign Agricultural Affairs Ted McKinney  
Senator John Cornyn  
Senator Ted Cruz  
Ranking Member K. Michael Conaway  
Congressman Filemon Vela

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