

April 17, 2020

Wisconsin's federal delegation,

Wisconsin agriculture is under tremendous pressure. This is nothing new to the dairy industry as they've seen them for over a decade. With the rise of COVID-19 in early 2020 and Safer-At-Home orders sweeping the country, additional commodities are finding themselves with market volatility. The closure of restaurants and bars across the state have highlighted the inability for our supply chain to quickly adapt and how uncertainty has restricted processors ability to adapt. The food supply chain was built to be just in time, delivering fresh food daily but when consumer purchasing habits are disrupted the supply chain quickly falls apart; throw in the uncertainty of Safe-At-Home orders and the ever changing regulatory environment, no producer or processor will emerge from this pandemic unscathed.

Wisconsin Farm Bureau has hosted six calls with our state's federal delegation. Over 70 farmers have relayed their concerns, shared their stories, and highlighted the importance of Wisconsin agriculture to our representatives. The concerns that farmers are having in Elk Mound are similar to those in Pleasant Prairie and across the state. To address these concerns, we are asking our federal delegation to:

- Replenish the Commodity Credit Corp. with \$50 billion, the original amount requested. The CARES Act designated \$14 billion for the program to stabilize farm incomes, and \$9.5 billion to support producers of specialty crops, livestock and dairy, as well as those who supply farmers markets, restaurants and schools.
- An additional \$250 billion into the Paycheck Protection program with clear guidelines related to agriculture producers related to self-employment. Unfortunately, the SBA was slow to roll out guidance for agriculture producers so many of our farmers were left with unclear guidelines on whether they were eligible.
- Accelerating purchases by USDA of agriculture commodities. We have only recently heard that the USDA is moving to make purchases of commodities, but it still isn't know how much or when those purchases will be taking place. It is important that these purchases aren't moved to storage as this only prolongs the oversupply issue. These purchases must be moved to food banks and pantries so that those looking for food have access.
- Make sure processing plants continue to operate. We are starting to hear about plants closing throughout the country either from sickness or workers walking off the job. We must make sure that our unemployment insurance is aligned with our incentives to work. If there is a disincentive to work, we will continue to see plants closing.
- A direct payment plan and indemnity payments for producers or processors for dumped milk. Wisconsin Farm Bureau Federation, along with the American Farm Bureau Federation, are supporting a plan that has been forwarded to the Secretary of

Agriculture that calls for direct payments to producers. Producing milk is a 24/7 operation that cannot be furloughed or closed, combined with the closures of restaurants and schools, leaves producers in an impossible situation that is beyond their control. Indemnity payments for dumped milk would soften the blow when the producer is simply fulfilling their contract and processors are left without markets as a result of government intervention.

Everyone has a good idea of what the problems are but WFBF wants to be part of the solution. We have highlighted four potential short-term solutions to deal with agriculture's issues and one long-term strategy to move forward with. We hope you can bring this to your congressional leadership so that additional stimulus bills can provide greater relief to agriculture producers. While the CARES Act was a good start, only .02% was designated for agriculture. If we want to continue to lead the world in food production, we will need Wisconsin agriculture and its diverse array of products.

Sincerely,

Joe Bragger
President
Wisconsin Farm Bureau