



March 27, 2020

The Honorable Sonny Perdue
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Secretary Perdue:

On behalf of cattle producers across the United States, the National Cattlemen's Beef Association (NCBA) and our state affiliates respectfully request the U.S. Department of Agriculture (USDA) take immediate action to provide much-needed relief to cattle producers who have been negatively impacted due to the on-going Coronavirus Disease (COVID-19) pandemic.

Shortly after the World Health Organization declared the COVID-19 outbreak a global pandemic, the financial markets tumbled at rates on par with some of the worst economic shocks in our nation's history. Unfortunately, the cattle markets were not spared. U.S. cattle producers have been hit hard with financial challenges that could not have been predicted. The simple truth is we are caught in a torrential storm without a lifeline, and without immediate assistance, our industry may suffer enough loss to push some cattle producers past the point of rescue.

As tough as today is for cattle producers, the longer the coronavirus lasts, the more damage will be done. In response to the unprecedented and devastating impact of this pandemic on our industry, Congress enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act. The CARES Act provides USDA's Office of the Secretary with an additional \$9.5 billion "to prevent, prepare for, and respond to coronavirus." Congress further stipulated that this funding should support agricultural producers impacted by coronavirus, including cattle producers.

As USDA develops vehicles to deliver this assistance to cattle producers, we strongly encourage you to carefully consider the following principles when evaluating various options to meet the needs of cattle producers:

- As the largest segment of the U.S. agriculture industry, U.S. cattle production accounts for \$67 billion (18 percent) of the \$371 billion in total cash receipts from agricultural commodities in 2018. We are present in all fifty states on 729,000 farm operations that are the lifeblood of our rural economies. While coronavirus has undoubtedly impacted all segments of American agriculture, the impact of this crisis is uniquely acute for cattle producers who are not eligible for traditional safety net programs offered by USDA and the Small Business Administration.
- While there are multiple preliminary economic assessments relative to the impact of coronavirus on cattle markets, we believe that no single entity is better equipped than USDA to lead this effort. We encourage USDA to implement this effort by utilizing its unique expertise and available resources, while also working directly with the academic community and livestock industry experts to determine the full extent of need and most equitable measures of response.
- Marketing cattle in the United States is, by nature, highly volatile and complex with multiple links in the cattle supply chain. Cow-calf producers, seedstock producers, stockers and backgrounding operations, and cattle feeders have all been impacted by this pandemic. We believe assistance must be delivered equitably across all producer segments of the cattle supply chain based on need. Further, business size and structure are not

reliable determinants of financial need or viability during this unprecedented occurrence and should not be a prohibiting factor for eligibility.

- We firmly believe that economic assistance for cattle producers should not only prioritize financial loss due to COVID-19, but also be market-oriented, not disrupt or mask market signals, and not be a permanent subsidy program.

Prior to the COVID-19 pandemic, U.S. cattle producers were gearing up to capitalize on a promising year with our producers benefiting directly from the Administration's regulatory reforms and the removal of numerous trade barriers on U.S. beef. Unfortunately, all of that is on hold as we face unprecedented and unforeseen loss due to COVID-19. With your help, we believe we can keep the stream of commerce moving as efficiently as possible so that we may continue to keep store shelves stocked with beef for American consumers. We stand ready and willing to assist you however possible.

Sincerely,

National Cattlemen's Beef Association
Alabama Cattlemen's Association
Arizona Cattle Feeders Association
Arizona Cattle Growers' Association
Arkansas Cattlemen's Association
California Cattlemen's Association
Colorado Cattlemen's Association
Colorado Livestock Association
Florida Cattlemen's Association
Georgia Cattlemen's Association
Hawaii Cattlemen's Council
Idaho Cattle Association
Illinois Beef Association
Indiana Beef Cattle Association
Iowa Cattlemen's Association
Kansas Livestock Association
Kentucky Cattlemen's Association
Louisiana Cattlemen's Association
Maryland Cattlemen's Association
Michigan Cattlemen's Association
Minnesota State Cattlemen's Association
Mississippi Cattlemen's Association
Missouri Cattlemen's Association

Montana Stockgrowers Association
Nebraska Cattlemen's Association
Nevada Cattlemen's Association
New Mexico Cattle Growers Association
New York Beef Producers' Association
North Carolina Cattlemen's Association
North Dakota Stockmen's Association
Ohio Cattlemen's Association
Oklahoma Cattlemen's Association
Oregon Cattlemen's Association
Pennsylvania Cattlemen's Association
South Carolina Cattlemen's Association
South Dakota Cattlemen's Association
Tennessee Cattlemen's Association
Texas & Southwestern Cattle Raisers Association
Texas Cattle Feeders Association
Utah Cattlemen's Association
Virginia Cattlemen's Association
Washington Cattle Feeders Association
Washington Cattlemen's Association
West Virginia Cattlemen's Association
Wisconsin Cattlemen's Association
Wyoming Stock Growers Association