

Congress of the United States
Washington, DC 20515

July 27, 2017

The Honorable Sonny Perdue
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave, SW
Washington, D.C. 20250

Dear Secretary Perdue,

We write today to urge the U.S. Department of Agriculture (USDA) to use its existing authority to provide relief for dairy farmers. Specifically, we request you take necessary steps to make milk an agricultural commodity eligible under the Federal Crop Insurance program.

New York is a major dairy producing state. The state has witnessed meaningful growth in the last several years, which has been an important economic driver for producers, processors, and surrounding communities. In 2016, New York dairy farms produced nearly 15 billion pounds of milk, with an initial value of over \$2.5 billion. Despite the sectors' strength and efficiency, dairy farmers have had to cope with a 30 percent price decline since 2014.


These struggles are amplified by ongoing difficulties with the Margin Protection Program (MPP) and a lack of other risk management options. In 2015, 1,397 New York dairy producers enrolled in MPP buy-up coverage. The program's failure contributed to its dramatic decline in participation. In 2017, 60 producers signed up above the catastrophic coverage level. Low signup is clear evidence that MPP isn't providing farmers the needed risk protection. As Congress begins the work to reauthorize the Farm Bill, we intend to make necessary reforms to this program.

In the meantime, we believe it's imperative that the USDA take action given MPP's failure. We respectfully request that the Risk Management Agency (RMA) and the Federal Crop Insurance Corporation (FCIC) utilize existing authorities to expand and enhance insurance products for dairy farmers. Milk, as a commodity, must be eligible for policies through the Federal Crop Insurance program.


Existing statute defines the term 'livestock' as the actual animal and not the product produced. The Consolidated Appropriations Act of 2017 included report language clarifying that Congress did not intend for livestock products to fall under the limitation of livestock insurance policies. USDA, RMA, and the FCIC have authority to determine that the two products are distinctly different commodities. We request that RMA work with FCIC to determine milk as a distinct agricultural commodity eligible for Federal Crop Insurance coverage. Additionally, we would urge the RMA to use existing authorities to develop additional dairy insurance products.

Thank you for considering these concerns.

Sincerely,



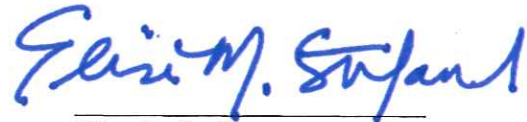
John J. Faso
Member of Congress



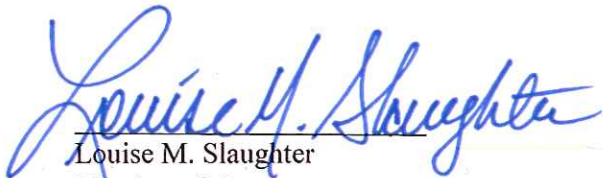
Chris Collins
Member of Congress




Paul D. Tonko
Member of Congress




Elise Stefanik
Member of Congress



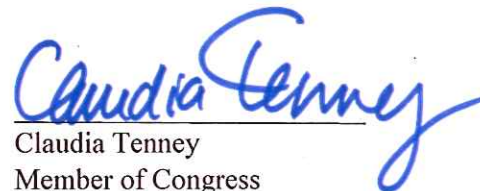
Louise M. Slaughter
Member of Congress



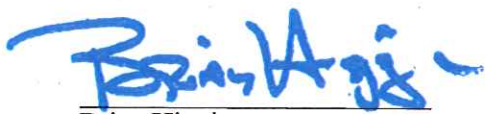
John Katko
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Claudia Tenney
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Brian Higgins
Member of Congress