

September 28, 2023

The Honorable Chuck Schumer
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Republican Leader
United States Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Leader Schumer, Leader McConnell, Speaker McCarthy and Leader Jeffries:

We write to stress the importance of having a farm bill signed into law by the end of the year. Unfortunately, delays in the federal appropriations process for FY 2024 and a risk of government shutdown threaten timely passage of the 2023 farm bill. We urge Congress to find a bipartisan path forward that avoids a government shutdown, addresses FY 2024 government funding, and moves to consider the farm bill without additional delay.

All Americans depend on the success of American agriculture, and managing risk on the farm is critical to this success. To manage risk, it's important for America's farmers, growers, and ranchers to be supported by strong farm bill programs as they face extreme weather conditions, natural disasters, high supply costs and inflationary pressures – all of which farmers, growers, and ranchers are facing right now. As a result of persistently high input costs and rapidly declining commodity and food crop prices, the USDA now projects that this year's drop in both net farm income and net cash income will be the largest decline of all time, down \$42 billion and \$54 billion, respectively.

U.S. agricultural exports are slowing down, and a record trade deficit is projected for 2023. Year-end inventories of major grains, oilseeds, poultry and dairy products are projected to increase in 2024. The financial imbalance is equally impactful for specialty and perishable crops. These factors could combine to push crop and commodity prices lower at a time when input and production costs are expected to remain elevated. It is reasonable to expect that farm income may be even lower in 2024. This is on top of record-high farm debt, higher borrowing costs, higher break-even levels and likely downward pressure on farmland asset values due to higher interest rates.

Alongside the farm economy contracting by the largest amount of all time in 2023, expectations that the farm economy could weaken again in 2024 emphasize the importance of reauthorizing the farm bill and investing in meaningful enhancement to the risk management and commodity program tools that farmers and ranchers depend upon to weather a volatile farm economy.

America's public investment in agriculture through farm bill programs helps maintain our food supply and keep our country strong with sustainable food, fiber and renewable fuel. The farm bill

impact extends beyond the farm by protecting our nation's food supply, providing access to nutrition for families facing hunger, investing in our rural communities, advancing conservation efforts and spurring innovation through agricultural research.

This is why Congress must come together to determine FY 2024 appropriations and get to the business of farm bill consideration in a bipartisan manner.

Sincerely,

Agricultural Retailers Association
American Farm Bureau Federation
American Feed Industry Association
American Seed Trade Association
American Soybean Association
American Sugarbeet Growers Association
CropLife America
Farm Credit Council
International Fresh Produce
National Association of Conservation Districts
National Association of Wheat Growers
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Farmers Union
National Milk Producers Federation
National Pork Producers Council
National Sorghum Producers
National Association of State Departments of Agriculture
National Turkey Federation
The Fertilizer Institute
USA Rice

Cc: The Honorable Debbie Stabenow
The Honorable John Boozman
The Honorable Glenn "GT" Thompson
The Honorable David Scott