

Congress of the United States
Washington, DC 20515

May 16, 2019

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

Dear Secretary Perdue:

We write today concerning the Administration's forthcoming trade mitigation assistance package. While we appreciate the Administration's efforts to assist producers with damages they have incurred due to retaliatory tariffs, the amount of assistance directed to dairy producers in previous trade relief efforts was inadequate. We encourage you to increase dairy assistance to a level that more accurately reflects the damages dairy farmers have faced.

As you know, current market uncertainty is having severe adverse impacts on dairy farmers. The dairy industry is facing the fifth year of depressed milk prices. Retaliatory tariffs imposed on U.S. farmers have exacerbated the situation. Since retaliation began last year, U.S. dairy exports to China have fallen by 43 percent compared to the same period the prior year. Following China's announcement of new retaliation measures last week, dairy futures dropped by the equivalent of roughly \$0.20/cwt. for the rest of this year. Should tariffs remain in place, U.S. dairy farmers are projected to lose roughly \$4.8 billion over the three years from 2018 to 2020.

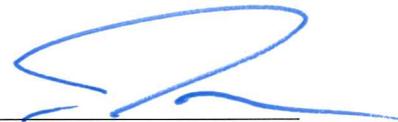
While we appreciate your efforts to assist distressed farmers, last year's trade mitigation package fell significantly short of accounting for the impact of retaliation on dairy farmers. It is critical that this new package better account for the challenges dairy farmers have faced by providing a stronger Market Facilitation Payment using current production data as was done for all other commodities in last year's round.

We hope to work with you on a new plan to provide stronger relief to dairy producers. Thank you for your consideration.

Sincerely,



PETER WELCH
Member of Congress



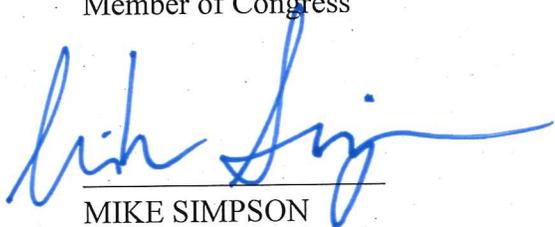
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