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April 14, 2020

The Honorable Sonny Perdue
Secretary of Agriculture
1400 Independence Avenue SW
Washington, DC 20250

Dear Secretary Perdue,

I write to request immediate action to support dairy farmers in Wisconsin and throughout the country following the COVID-19 outbreak. Over a week ago, the Wisconsin delegation notified you of the tremendous strain facing the dairy industry from the COVID-19 outbreak, but the situation continues to deteriorate by the day. Despite this, there have been few actions to support dairy farmers. While I understand that your agency is planning to roll out an agriculture support package this week, I am confused as to why you have yet to reopen the dairy margin coverage (DMC) program. I ask that you move swiftly to reopen enrollment for the program to give dairy farmers the immediate tools they need to ensure their survival.

Wisconsin's dairy products are particularly reliant on a robust food service industry, and with most restaurants either closed or operating with limited service, dairy farmers are immediately being hit with some of the most severe financial repercussions of the COVID-19 crisis. With milk prices dropping rapidly, USDA needs to move now or many dairy farms in Wisconsin will not survive.

Using an existing mechanism to provide support for dairy farmers would be a quick and effective way to ensure we do not lose farms permanently to this crisis. During DMC enrollment for 2020 in December 2019, milk futures showed some of the highest high milk prices in over five years. Cash strapped dairy farmers who were barely getting by in previous years were eager to take advantage of the higher prices to pay off debts, rebuild their savings, and make needed repairs or improvements to their farms. Many barely scraping by in recent years were understandably unable to justify the costs of the plan's premiums when there was little chance of any payout in 2020, according to USDA's own risk calculator.

Even before the crisis, Wisconsin was losing an average of two dairy farms a day, and the state continued to lead the country in the number of family farm bankruptcies. This year, farmers were looking forward to turning things around, only to be hit with a pandemic that shuttered many of the businesses they rely on most. I ask that you move to reopen enrollment for DMC now, and I stand ready to work with you on providing the necessary support for dairy farmers throughout this crisis.

Sincerely,



Ron Kind
Member of Congress