

United States Senate

WASHINGTON, DC 20510

April 13, 2016

The Honorable Paul Ryan
Speaker of the House of Representatives
H-232 The Capitol
Washington D.C. 20515

The Honorable Mitch McConnell
Majority Leader
317 Russell Senate Office Building
Washington, D.C. 20510

Dear Speaker Ryan and Leader McConnell,

We write to oppose the use of the appropriations process to make cottonseed eligible as an “other oilseed” under the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs.

As you know, during the 2014 Farm Bill reauthorization, cotton producers received both their own income support program known as the Stacked Income Protection Plan (STAX) as well as the Cotton Transition Assistance Program aimed at further extending direct payments specifically for cotton beyond their timely demise. Despite the generous level of income supports, subsidies, and crop insurance options, proponents are seeking to further add an additional benefit for cotton producers. Reports have suggested expanding ARC and PLC to cottonseed could cost taxpayers as much as a billion dollars a year.

Having been told by the Secretary of Agriculture that the administration lacks the authority to unilaterally make this change, it is likely that Congressional action on the topic will be sought through an appropriations rider. Certainly, past being prologue, cotton subsidies are not without controversy. Their expansion deserves a full debate on topics of appropriateness, equity, trade compliance, implemented cost, and realistic offsets. It is unlikely that an appropriations strategy will yield the attention to this topic that taxpayers deserve.

The irony of trying to expand cotton subsidies now is also worth noting. Being critical of the extent and impacts of farm programs, we stand ready to debate them. However, proponents of federal farm subsidies often insist that any changes to them *only* take place within the confines of Farm Bill negotiations. We most recently heard this complaint when generous crop insurance subsidies were trimmed in the recent budget deal passed by Congress. It would appear that the opportunity to trim agriculture programs would be scheduled by some in multi-year intervals, while the chance to expand the largess provided by such program could unfortunately come at any time. We believe taxpayers deserve better.

We appreciate your attention to this issue and urge you to strongly consider our concerns as both bodies look to consider appropriations legislation.

Sincerely,


JEFF FLAKE
United States Senator


JEANNE SHAHEEN
United States Senator