

United States Senate

WASHINGTON, DC 20510

April 27, 2017

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

Dear Secretary Perdue:

We appreciate the Administration's commitment to finding a solution to restrictive Canadian trade barriers that are hurting American dairy farmers and processors. We look forward to working with you to end Canada's unfair dairy policy. In the meantime, we ask that you act immediately to assist the farmers whose lives have been upended and whose farms are in jeopardy because of the ripple effects of this unfair trade scheme. Without immediate action and support from the Department of Agriculture, many dairy farms may be forced to close within a few weeks.

The phasing in of new dairy pricing schemes in Canada have caused major impacts on American dairy and have abruptly upended long-standing trade relationships between U.S. and Canadian companies. The Ontario Class 6 pricing system and Canada's new Class 7 National Ingredients Strategy appear to violate Canada's trade commitments to the U.S. While these trade barriers are being confronted, we urge you to provide any immediate assistance that can help impacted farmers who are suffering as a result of this unfair trade practice.

Congress has provided USDA the authority to respond through Section 5 of the Commodity Credit Corporation Charter Act, and the agency has used this provision in the past to assist other farmers impacted by problematic foreign trade policies. This tool would allow USDA to assist farmers now, helping them to market their milk, develop new markets, and increase the uses of their milk. We urge you to take action now and use this tool to ensure that our farm families will have the chance to continue their livelihood.

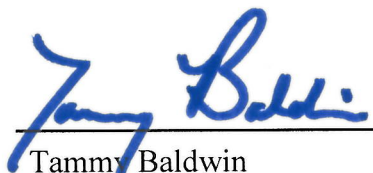
Additionally, USDA should act to assist with this unexpected supply of underutilized milk on U.S. markets by utilizing Section 32 authorities under the same legislation. This program allows the agency to purchase surplus dairy products and provide them to feed families in need. This step can help to find a home for the excess milk by moving existing supplies and making room for new products made by processors who are willing to take on the unexpected additional volume of milk that needs a home.

The dairy industry has responded swiftly to the crisis facing our farmers whose lives have been upended by this trade policy. However, the clock is ticking and more action is needed now to

ensure our dairy farmers are not put out of business by trade politics and dairy policies set in Canada.

Thank you in advance for your immediate attention to this critical issue.

Sincerely,



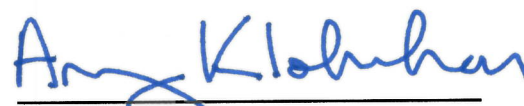
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United States Senator



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