



April 24th, 2020

The Honorable Sonny Perdue
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, D.C. 20250

Dear Secretary Perdue,

On behalf of the American Sheep Industry Association (ASI) and its state affiliates and the National Lamb Feeders Association (NLFA), we thank you for the U.S. Department of Agriculture's tremendous efforts to support American agriculture during this extremely challenging time. The Department's announcement of the Coronavirus Food Assistance Program (CFAP) and communications with our industry that U.S. lamb and wool producers will be eligible for direct assistance under the program have been a tremendous signal, giving growers and feeders hope that they can continue to produce high quality food and fiber into the next generation.

ASI has shared our current economic data with the USDA. This crisis has resulted in losses at the farm level of \$125 million due to the closure of dine in foodservice and the decline in slaughter lamb prices. Our estimated total economic impact to the American sheep industry is \$353 million in 2020. In addition to the lamb market impacts, wool prices are down 40% and in response to COVID, millions more pounds of wool have to go into storage on top of millions of pounds of the 2019 clip due to the China trade war. We see a very similar situation in the sheepskin market. We also realize each segment of our industry will suffer unique losses and we share many of the same concerns of others in the livestock sector.

The lamb industry supply chain is very tightly connected and the loss in any segment has a negative impact up and down the line. Therefore, we would request USDA reconsider the payment limits mentioned in initial reports. Specifically, \$125,000 per commodity, and \$250,000 per individual. This limitation would severely restrict the effectiveness of CFAP for many family-owned farms, ranches and feedlots across the nation. We have already seen many of our producers, feeders and processors incur staggering losses reaching far beyond the payment limits contemplated.

Additionally, we would ask that the USDA evaluate options to consider losses incurred after April 15th, as a prescriptive timeframe would leave producers who will suffer a loss without assistance. The lamb market was strong going into our peak demand season around Passover and Easter, but fell off precipitously once COVID restrictions were implemented widely in late-March. The backup of product throughout the supply chain and the losses incurred in each sector of our industry are going to take considerable time to work through the system. While we hope markets rebound quickly, we know many producers will experience significant losses outside the currently contemplated window and ask that the USDA ensure equitable assistance industry-wide.

We fully understand the budget constraints the Department is under and applaud you for working to cover the needs of many diverse agricultural industries. ASI and our affiliates look forward to working with the Administration and Congress to support USDA's efforts under CFAP and other livestock programs as we recover from the impacts of COVID-19.

Sincerely,

American Sheep Industry Association
National Lamb Feeders Association
Alabama Meat Goat & Sheep Producers
Arizona Wool Producers Association
Arkansas State Sheep Council
California Wool Growers Association
Colorado Wool Growers Association
Connecticut Sheep Breeders, Inc
Meat Sheep Alliance of Florida, Inc
Georgia Sheep & Wool Growers' Association
Hawaii Sheep & Goat Association
Idaho Wool Growers Association
The Illinois Lamb & Wool Producers
Indiana Sheep Association
Iowa Sheep Industry Association
Kansas Sheep Association
Kentucky Sheep & Wool Producers
Association
Maine Sheep Breeders Association
Maryland Sheep Breeders Association
Massachusetts Federation of Sheep
Associations
Michigan Sheep Producers Association
Minnesota Lamb & Wool Producers
Missouri Sheep Producers, Inc.
Montana Wool Growers Association
Nebraska Sheep & Goat Producers

Nevada Woolgrower Association
New Hampshire Sheep & Wool Growers
Association
Garden State Sheep Breeders (NJ)
New Mexico Wool Growers, Inc.
Empire Sheep Producers Cooperative, Inc.
(NY)
North Carolina Sheep Producers Association
North Dakota Lamb & Wool Producers
Association
Ohio Sheep Improvement Association
Oregon Sheep Growers Association
Pennsylvania Sheep & Wool Growers
Association
Rhode Island Sheep Cooperative
South Carolina Sheep Industries Association
South Dakota Sheep Growers Association
Tennessee Sheep Producers Association
Texas Sheep & Goat Raisers Association
Utah Wool Growers Association
Vermont Sheep & Goat Association
Virginia Sheep Producers Association
Washington State Sheep Producers
West Virginia Shepherds Federation
Wisconsin Sheep Breeders Cooperative
Wyoming Wool Growers Association