



March 17, 2020

The Honorable Michael R. Pence  
Vice President of the United States  
1600 Pennsylvania Avenue NW  
Washington, DC 20501

Dear Vice President Pence:

As the Task Force that you chair works tirelessly to address the on-going Coronavirus Disease 2019 (COVID-19) pandemic, the National Cattlemen's Beef Association (NCBA) applauds the Administration on the number of steps you have already taken to protect the American people and our nation's economy. As the largest segment of the U.S. agriculture industry, cattle production accounts for \$67 billion (18 percent) of the \$371 billion in total cash receipts from agricultural commodities in 2018. We are present in all fifty states on 729,000 farm operations that are the lifeblood of our rural economies.

The market response to COVID-19 has created a tremendous amount of uncertainty for U.S. beef producers. Therefore, we respectfully request that the Administration, in partnership with state and local leaders, take swift and proactive steps to minimize the negative consequences of COVID-19 and preserve the economic viability of the U.S. beef supply chain.

#### **U.S. Department of Agriculture**

NCBA applauds the U.S. Department of Agriculture (USDA) for closely monitoring this situation and pledging to implement the necessary measures to minimize market disruption while at the same time prioritizing the health of USDA's workforce and our nation's food supply. In addition to updating and adhering to USDA's human pandemic preparedness plan, NCBA believes that employees of the Animal and Plant Health Inspection Service (APHIS), Food Safety and Inspection Service (FSIS) and Agricultural Marketing Service (AMS) should be prepared to work as efficiently as possible and must be given an appropriate amount of flexibility to maximize plant capacity and shift time to avoid any disruptions to processing facilities.

Additionally, in light of the current market conditions (including cattle market volatility), America's cattle producers need flexibility and increased access to low- and zero-interest loans in order to remain viable and ensure that grocery store shelves remained stocked. To that end, NCBA encourages USDA's Farm Service Agency (FSA) to expand availability of these loans, in addition to increasing flexibility of terms for existing loans. Further, we request that FSA coordinate with USDA Rural Development and the Small Business Administration throughout the implementation of these accommodations.

#### **Department of Transportation**

The U.S. Department of Transportation (DOT) recently announced an Hours of Service Emergency Waiver for commercial trucks, to include vehicles delivering food products to retail establishments. While this announcement will help the shelves of grocery stores remain stocked, NCBA reminds the Administration that a significant amount of drive time is still necessary throughout the livestock supply chain. The cattle industry has an impressive track record of safety on the roads. Therefore, we believe it would be prudent for the Federal Motor Carrier Safety Administration's (FMCSA) emergency declaration and suspension of Hours of Service to extend to haulers transporting shipments of livestock feed, critically important animal health technologies, and trucks moving livestock to feedyards and packing facilities. This critical step will not only keep cattle haulers in business, but it is the only way to ensure movement across the entire beef supply chain during this challenging time.



## **Commodity Futures Trading Commission**

COVID-19 is sending shockwaves throughout the global economy. The domestic beef supply remains steady while retail demand and boxed beef prices are increasing, yet the panic has resulted in a free-fall for cattle markets with cash prices steadily decreasing. Due to this disparity, NCBA has requested that the packing industry act in good faith, aggressively participating in the cash market with bids based on the increased cutout value rather than the futures, as well as increased participation in the Fed Cattle Exchange to provide further confidence to the producer segment of our industry.

NCBA also requests that the Commodity Futures Trading Commission (CFTC) keep a close eye on the cattle markets to ensure that no one tries to use the uncertainty of the live cattle market to manipulate or illegally take advantage of the situation. As an unsubsidized commodity, we rely on competitive markets for our livelihood, and that is why we need trustworthy markets that are fair and truly represent market demand.

## **Department of the Interior, Bureau of Land Management/USDA Forest Service**

Across the West, livestock producers who hold federal grazing permits are preparing to turn livestock out on grazing allotments. We request that Bureau of Land Management (BLM) and U.S. Forest Service (USFS) employees be provided flexibility to issue or renew grazing permits should working hours or locations be affected by agency teleworking policy. In cases where staffing directives impact or otherwise prevent agency employees from conducting annual meetings with permittees to establish protocols for the 2020 grazing season, we request permittees be allowed to operate under their 2019 permitted use, at least until annual meetings can occur.

Additionally, NCBA requests BLM and USFS reinforce and utilize tools to engage in coordinated resource management across land management jurisdictions. As land management agencies will soon be taking steps to address the 2020 wildfire season, agencies should seek opportunities to work with landowners, as well as local, county, and state officials to target resources to the highest areas of need. Wildfire can be catastrophic to grazing permittees, local economies, and neighboring communities. As federal agencies respond to emerging resource needs as a result of COVID-19, we encourage you to utilize on-the-ground expertise to supplement federal resources.

The U.S. beef industry is no stranger to difficulties in the market created by factors outside of our control, and we know that we will recover from these dark days in due time. Our families feel the impact of this pandemic just like other families, and we will do our best to keep our cattle healthy and to provide American families with the same safe, high-quality beef we feed our loved ones. All we ask is for our government leaders to work with us to keep the stream of commerce moving as efficiently as possible so that we may continue to keep store shelves stocked with beef for American consumers. We stand ready and willing to assist you however possible.

Sincerely,



Ethan L. Lane  
Vice President, Government Affairs  
National Cattlemen's Beef Association

CC: The Honorable Sonny Perdue, Secretary, USDA  
The Honorable Elaine L. Chao, Secretary, DOT  
Mr. Heath Tarbert, Chairman, CFTC  
The Honorable David L. Bernhardt, Secretary, DOI