

December 8, 2008

The Honorable Ed Schafer
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Mr. Secretary:

The below listed organizations, whose members produce a significant portion of the food, fiber and feed in the United States and the vast majority of whom participate in commodity and conservation programs, are writing to express concern about the significant delay in publishing the regulations implementing numerous commodity and conservation provisions of the Food, Conservation, and Energy Act of 2008.

In order to give producers adequate opportunity to plan for the 2009 crop, the new farm law requires that implementing regulations be issued within 90 days of enactment. The statute also requires that an advance Direct Payment be offered to producers beginning December 1 of the year previous to the year of harvest. We certainly understand the significant challenge of implementing the provisions of the new farm law but it is critical that program provisions be announced in a timely fashion so that farmers can make decisions for the 2009 crop year.

For example many producers are interested in learning the details of the new Average Crop Revenue Election (ACRE) program so they can decide whether to enroll for the next four years or continue to participate in the traditional price support program. The new law also significantly lowers the adjusted gross income test used to determine program eligibility and contains modifications to payment limitation rules that will eliminate spousal discrimination and will provide for the direct attribution of payments. Farmers will have to carefully review their farming operations to determine the impact these changes will have on them prior to signing up for commodity and conservation programs.

The new law requires USDA to offer a 22% advance Direct Payment beginning on December 1. The rapid decline in commodity prices, the turmoil that still exists in commodities futures markets, the tightening of credit, and a jump in the cost of many inputs have strained the cash position of many producers. The advance Direct Payments could help producers now, but they cannot request these funds until sign-up begins and sign-up obviously can not start until the regulations are published.

In June of this year you stated that you "know we can rely on America's farmers and ranchers to grow our food, and they can rely on USDA to have the new farm bill ready." While many positive steps have been made, America's farmers and ranchers are still waiting on some very important parts of the new farm law. It is important that regulations that are consistent with the statute and intentions of Congress be issued immediately so

farmers, their suppliers and their financiers can make informed decisions and complete planning for 2009 and beyond.

We appreciate your consideration of our views and look forward to your favorable response.

Sincerely,

American Farm Bureau Federation
American Soybean Association
National Association of Wheat Growers
National Barley Growers Association
National Corn Growers Association
National Cotton Council
National Farmers Union
National Sorghum Producers
National Sunflower Association
Peanut Growers Cooperative Marketing Association
Southern Peanut Farmers Federation
USA Dry Pea & Lentil Association
USA Rice Federation
US Canola Association
US Rice Producers Association
Alabama Peanut Producers Association
Florida Peanut Producers Association
Georgia Peanut Commission
North Carolina Peanut Growers Association
Virginia Peanut Growers Association

Cc: The Honorable Chuck Conner
The Honorable Mark Keenum
The Honorable Jim Nussle
The Honorable Collin Peterson
The Honorable Bob Goodlatte
The Honorable Bob Etheridge
The Honorable Jerry Moran
The Honorable Tom Harkin
The Honorable Saxby Chambliss