



March 20th, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, D.C. 20515

The Honorable Charles E. Schumer
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United State House of Representatives
Washington, D.C. 20515

Dear Majority Leader McConnell, Speaker Pelosi, Minority Leader Schumer and Minority Leader McCarthy:

The American Sheep Industry Association (ASI) thanks you for your quick and decisive action to help our nation mitigate the economic damage that has been and will be caused by the continued COVID-19 pandemic. ASI represents the nation’s 100,000 sheep producers in all fifty states, and an industry that has an annual economic impact of over \$5.8 billion to the U.S. economy.

America’s sheep producers are resilient, but not immune to this unprecedented economic impact. While we are still assessing the damage this will cause to our industry and working with our membership to address their needs, it is clear that they will suffer as we continue to work every day to provide our nation and neighbors with high quality protein and fiber. Retail foodservice represents 50% of U.S. lamb sales and the impact to that sector has already been heavily felt in our industry. The disruptions in that market alone have pushed our second largest lamb company over the edge to file Chapter 11 bankruptcy on Thursday, March 19, 2020. These same factors are further stressing our other lamb processing facilities as they experience severely weakened sales to food service and distributors.

This comes on top of already challenging marketing conditions in the U.S. wool and sheepskin market, where prior trade disruptions with China had decreased our exports and export value of these products in excess of 80%. The result of this will be two years of wool backed up in storage across the nation, and the rendering of sheepskins as there is no other meaningful market.

Therefore, we are writing to ask that as Congress considers additional measures to combat COVID-19, you raise the U.S. Department of Agriculture Commodity Credit Corporation’s borrowing authority from \$30 to \$50 billion and fully fund the replenishment of the CCC. We would also respectfully request that U.S. lamb and wool producers be included in any Phase III market facilitation program through USDA or other market relief program.

Our industry stands by to work with Congress and USDA leadership to ensure these funds are distributed equitably to shore up domestic production during these tough times. Thank you again for your consideration and support to ensure rural Americans can continue to provide safe and plentiful food to our nation.

Sincerely,

Benny Cox, President
American Sheep Industry Association