



FARM BILL

ASI strongly supports reauthorization (or extension if needed) of the Agricultural Improvement Act of 2018 (2018 Farm Bill). A Farm Bill should provide producers a reasonable safety net, encourage rural growth, and support the production of U.S. food and fiber. The 2018 Farm Bill safety net should be improved to address current market conditions including inflation and supply chain disruptions.

WOOL APPAREL MANUFACTURERS TRUST FUND, U.S. WOOL RESEARCH, AND U.S. PIMA COTTON

- Over the past few decades our trade laws have had a devastating impact on the tailored clothing and textile industries in the United States.
 - Tariffs on imported fabrics used in tailored clothing (25% on worsted fabrics; 11% on cotton fabrics) far exceed the duty rates imposed on imported tailored clothing. This “tariff inversion” operates as a “Made in America” tax.
 - A special rule in several trade agreements grants tailored clothing made in numerous countries duty-free entry, further compounding the negative impact of the underlying “tariff inversion.”
- These programs are consistent with recent Congressional efforts to strengthen American manufacturing and reduce the offshoring of jobs. Many of the programs’ beneficiaries are spinners, fabric makers, and cut-and-sew operators who pivoted to become part of a vital PPE supply chain during the initial COVID outbreak. Many are also the companies and growers that produce the fiber, fabric, and apparel for military uniforms.
- For more than two decades these programs have been successful in maintaining domestic factories, saving American jobs, and increasing markets for domestic wool and cotton.
- Collectively, these programs’ beneficiaries still pay more in tariffs than they collect back in payments. However, the programs’ designs fairly balance the interests of each stakeholder in the production chain and creates a more level playing field against foreign competitors.
- **ASI supports an extension of sections 12602, 12603, and 12604 of the 2018 Farm Bill or the extension of this orphan program in any short-term extension.**

WOOL MARKETING ASSISTANCE LOAN AND LOAN DEFICIENCY PAYMENT

- The 2018 Farm Bill authorizes nonrecourse marketing assistance loans (MALs) and loan deficiency payments (LDPs) for wool to eligible producers who grow and shear wool.
- The national loan rate for graded wool established in 2002 is \$1.15/pound. The nongraded wool rate established in 2002 is \$0.40 per pound. These rates have not kept pace with markets and producer costs, which has been further exacerbated by inflation.
- **With the recent low levels of producer income, ASI supports a re-examination of the wool loan rate and requests an update that provides an effective risk management tool for sheep producers.**

SHEEP PRODUCTION AND MARKETING GRANT PROGRAM (SPMGP)

- The Sheep Production and Marketing Grant Program (section 209 of the AMA of 1946 as amended by section 12102 of the 2018 farm bill) is intimately connected to the National Sheep Industry Improvement Center (NSIIC).

For more information, please visit the ASI website at www.sheepusa.org.
Please contact Jim Richards at jrichards@cgagroup.com or (202) 448-9509 for more information.



- The SPMGP provides funds on a competitive basis to national organizations whose mission is to strengthen and enhance the production and marketing of sheep and sheep products in the United States, including the improvement of infrastructure business, resource development, and the development of innovative approaches to solve long-term needs.
- **ASI strongly supports an extension and funding of the SPMGP in the next farm bill or as an orphan program in any short-term extension.**

ANIMAL DISEASE PREVENTION AND MANAGEMENT

- National Animal Vaccine and Veterinary Countermeasures Bank (NAVVCB) – Established in the 2018 Farm Bill, is the U.S.-only vaccine bank allows USDA to stockpile animal vaccines and related products to use in the event of an outbreak of Foot-and-Mouth Disease (FMD) or other high-impact foreign animal diseases
- National Animal Disease Preparedness and Response Program (NADPRP) - This program allows APHIS to collaborate with animal health partners throughout the nation.
- National Animal Health Laboratory Network (NAHLN) – The NAHLN is a laboratory network that collaborates with the National Veterinary Services Laboratories (NVSL) on disease monitoring.
- The National Veterinary Stockpile (NVS) – The NVS provides the veterinary countermeasures that states, tribes, and territories need to respond to animal disease outbreaks.
- **ASI strongly supports continued funding of these programs as established in the 2018 Farm Bill under Title 7, Chapter 109, Section 8308a.**

MINOR USES, MINOR SPECIES ANIMAL PHARMACEUTICALS

- U.S. sheep producers have limited means to protect and prevent disease in their animals as animal health and welfare are critical aspects in ensuring a socially responsible and sustainable U.S. sheep industry and the safety of the national food supply.
- The cost to bring a new animal drug to market is rising and many pharmaceutical companies are not investing in bringing new drugs for sheep or other minor species to the U.S. market.
- **ASI requests a study by the General Accountability Office (GAO) to evaluate the effectiveness of The Minor Use and Minor Species Animal Health Act of 2004 (MUMS Act) for the U.S. sheep industry.**

EXPORT PROGRAMS OF THE USDA / FOREIGN AGRICULTURE SERVICE (FAS)

- With approximately 60% of all U.S. wool exported, access to foreign markets is critical for the sheep industry.
- **ASI supports increased funding for FAS programs including the Market Access Program (MAP), the Foreign Market Development Program (FMD) and the Quality Samples Program, QSP. These are critical to the export of American wool.**

