



TEXAS DEPARTMENT OF AGRICULTURE COMMISSIONER SID MILLER

February 11, 2016

The Honorable Tom Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Avenue Southwest
Washington, DC 20250

Subject: Cottonseed

Dear Secretary Vilsack,

I am writing this letter in regard to the challenges faced by Texas cotton producers and the rural communities that depend on this industry. Producers in our state and across the Cotton Belt are struggling with the effects of low prices, high input costs, weak demand and growing competition from heavily subsidized foreign producers. Without some relief from this situation, our producers will not be able to secure financing or continue operations. This could have a devastating impact on families and communities in Texas.

U.S. cotton acreage is at its lowest levels since 1983, with a 22 percent decline since 2014. Cotton exports have reached their lowest levels in 15 years. With foreign competitors driving down prices, this could possibly force cotton production to leave the U.S. if quick action is not taken. Cotton production supports a variety of jobs across the supply chain — including cotton gins, warehouses and associated businesses — that benefit from a robust and productive cotton industry.

Although you suggest that a designation is not authorized, Chairman Conaway and more than 100 bipartisan members of the U.S. Congress maintain that the 2014 Farm Bill gives you the legal authority to designate crops as ‘other oilseeds’ for the express purpose of alleviating some of the burden on producers created by extreme market instability. During your term, you have used this authority to provide relief for other commodities in the agriculture industry. I hope that you see the same urgency with the cotton industry.

With the support of Chairman Conaway and industry leaders, I strongly urge you to reconsider your decision and designate cottonseed as an ‘other oilseed’ under the Agriculture Risk Coverage and Price Loss Coverage programs. This designation would help bring long-term stability to cotton producers and the industry as a whole. It is critical at this time, as the global market

continues to be increasingly volatile. This action would greatly help stabilize the U.S. cotton industry and protect the countless jobs associated with it.

Thank you for your attention on this critical and urgent issue. I urge you to use your authority to act responsibly and create a quick solution for our cotton producers.

Sincerely,

A handwritten signature in blue ink, appearing to read "Sid Miller", with a long horizontal flourish extending to the left.

Sid Miller
Commissioner