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December 15, 2020

President-Elect Joe Biden
1401 Constitution Ave NW
Washington, DC 20230

Vice President-Elect Kamala Harris
1401 Constitution Ave NW
Washington, DC 20230

Dear President-Elect Biden and Vice President-Elect Harris:

On behalf of the National Association of Wheat Growers (NAWG), congratulations on your election as the next President and Vice President of the United States.

NAWG is a federation of 20 state wheat grower associations that works to represent the needs and interests of wheat producers before Congress and federal agencies. Based in Washington, D.C., NAWG is grower-governed and grower-funded and works in areas as diverse as federal farm policy, environmental regulation, the future commercialization of emerging technologies in wheat, and uniting the wheat industry around common goals. Our members feel it is important to introduce ourselves and our industry, given the critical role our federal partners play in administering farm programs, helping facilitate international trade, and working to create a resilient rural economy. Below, we have provided an overview of wheat production in the United States along with several pending policy items that will need attention during the transition and continuing into your Administration. Additionally, attached to this letter is a more detailed briefing paper outlining our policy positions on several items we hope to work with your team on in the coming weeks, months, and years, as well as a fact sheet with more information about the 6 classes of wheat and their uses.

According to the National Agricultural Statistics Service's 2020 Small Grains Summary, American farmers planted 44.35 million acres of wheat in the United States, which produced over 1.825 billion bushels across all six classes of wheat and made it the third largest commodity in terms of acreage. As a food grain, each class of wheat is grown for different types of bread, cracker, and pasta products. Additionally, winter wheat is unique in that it is seeded in the preceding fall, which has implications for how wheat farmers are affected by programs that are based on calendar years instead of crop years.

The production of wheat is instrumental in not only supporting local rural economies, but it plays a vital role in providing a healthy and nutritious diet for consumers in the United States and abroad. International trade is critical to U.S. wheat growers, and our overseas customers demand high-quality wheat, which American farmers are proud to supply. The United States is one of the top exporters of wheat globally, where almost half of all wheat grown domestically is destined to be exported. For the 2019/2020 marketing year, our top markets were Mexico, the Philippines, Japan, South Korea, Nigeria, Taiwan, Indonesia, and the European Union—all of which exceeded 1 million metric tons in sales that marketing year. In total, the U.S. exported 26.3 million metric tons of wheat, valued at over \$6 billion.

A key consideration for wheat growers is their product's marketability, which is highly dependent upon quality attributes. Each year, growers can face a litany of environmental or weather challenges beyond an individual's control that create quality problems that can damage yields or make their product unmarketable. While there are some measures a farmer can take to mitigate certain challenges, these are often environmental concerns outside a grower's control and can significantly impact a farming operation's bottom line. Therefore, as we look towards the future, it is important policies be enacted that recognize these challenges.

As we look towards your inauguration on January 20, 2021, and subsequent nominations to lead the federal government, we have included the attached background memorandum that details a number of ongoing issues facing farmers. Additionally, we would like to highlight several issues that will require your administration's immediate attention:

- As mentioned earlier, environmental challenges can yield quality loss. NAWG has been working with the U.S. Department of Agriculture (USDA) to seek assistance for growers through the Wildfires and Hurricanes Indemnity Program Plus (WHIP+) or other mechanisms that have experienced significant quality loss from excessive moisture. We are hopeful that sign-up will start in the coming weeks, and may extend into your Administration.
- USDA announced a Conservation Reserve Program (CRP) general sign-up from January 4 – February 12, 2021, and we encourage USDA to work with producers to ensure they fully understand the substantial program changes from the 2018 Farm Bill.
- An ongoing and persistent challenge farmers encountered is staffing across USDA offices. The Farm Service Agency and Natural Resources Conservation Service in particular have insufficient staffing at many of their state and local offices. We would urge the USDA to act diligently to fill these vacancies with qualified candidates in a timely manner, and to continue the customer-service focus of USDA at both the state/local and national levels.
- The European Union has recently imposed tariffs on non-durum wheat as part of the Airbus-Boeing dispute, effectively shutting out wheat purchases and potentially costing U.S. farmers 400,000 metric tons in sales per year—predominantly in Hard Red Spring wheat grown in the upper Midwest. We urge your Administration to quickly resolve this dispute.
- As mentioned previously, over half of the wheat grown in the United States is exported, and continued enforcement against trade-distorting domestic support policies is essential. In 2019, the United States won two World Trade Organization (WTO) cases against China's tariff rate quota (TRQ) scheme and domestic support policies. However, China has yet to fully comply in either case. Additionally, India and other developing countries have been on the same trend of providing trade-distorting subsidies that far exceed WTO commitments. The U.S. Trade Representative should build on the China domestic support case's success to bring other countries into compliance through litigation.
- Understandably, the Administration's principal concern on day one will be addressing the COVID-19 pandemic. On this front, NAWG has asked Congress to appropriate \$1 billion in U.S. international food aid programs to help address what the World Food Programme has called "the worst humanitarian crisis since World War II." COVID-19 has compounded hunger at home and abroad, and American farmers have the capacity to help the 265 million people who are facing starvation in 2020. Additionally, we urge your Administration to recognize the important role that in-kind food aid plays in our international food assistance efforts.

We look forward to working with you and your transition team as you develop your key priorities for the first 100 days and beyond.

Sincerely,



Dave Milligan, President
National Association of Wheat Growers

CC: Chairs and Ranking Members of the Senate and House Agriculture Committees