

United States Senate
WASHINGTON, DC 20510-0104

October 17, 2013

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

Re: USDA Marketing Assistance Loan Program

Dear Secretary Vilsack:

I am writing to request your assistance with concerns about unanticipated changes to the Marketing Assistance Loan (MAL) program and ongoing delays in the processing of MAL applications.

It is my understanding that, on September 30, 2013, the U.S. Department of Agriculture (USDA) announced that it would apply sequestration under the Budget Control Act of 2011 to the MAL program for loans issued after October 1, 2013. It is also my understanding that USDA has suspended processing MAL applications until USDA makes certain sequester-related modifications to the MAL computer software system. I have been told that these actions were taken without advance consultation with, or notice to, impacted farmers who are now faced with unexpected delays in the processing of MAL applications during harvest season. I have heard from farmers and related businesses that these actions and delays are disruptive to their operations and are imposing unexpected financial burdens.

While this is a critical time to address the nation's debt crisis and the government must make hard choices about funding priorities, it is important to consider ways to minimize disruptions and maximize fairness in the way funding changes are decided and implemented. As you know, the MAL program is utilized most heavily by cotton, rice and peanut growers and, thus, the changes and delays that have been announced by USDA have a disproportionate impact on farmers in the Sunbelt states. Moreover, it seems odd that USDA apparently provided essentially no advance notice of these changes even though the Budget Control Act became law over two years ago. Importantly, farmers benefiting from the MAL program are not seeking special treatment with respect to budget sequestration. Instead, they are simply asking USDA to look at possible avenues to expedite the processing of these marketing loans and to ensure that any appropriate options have been fully considered for minimizing adverse impacts from these changes.

Accordingly, I would ask that USDA provide answers to the following questions as soon as possible:

1. When did USDA decide that the MAL program is subject to budget sequestration?
2. When did USDA first provide notice to farmers about these changes to the MAL program? Please provide a list of all USDA farmer assistance programs and whether each such program is subject to sequestration.
3. What options did USDA consider in order to minimize adverse impacts associated with sequestration on the MAL program? Did USDA evaluate any other options for saving an equivalent amount of money without disrupting the MAL program?
4. What steps will USDA take to expedite the processing of MAL applications notwithstanding the ongoing modifications to USDA's computer software system? Please evaluate all options for expediting these applications including, but not limited to, (a) processing these applications manually; (b) assigning additional USDA staff if possible; and (c) directing available resources to the IT/software process to speed-up the necessary work.

Thank you for your kind attention to this matter. I look forward to receiving this requested information from USDA at the earliest possible opportunity.

Sincerely



Jeff Sessions
U.S. Senator