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December 14, 2015

The Honorable Tom Vilsack
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Secretary Vilsack:

On behalf of the American Soybean Association (ASA), I write to express our support for the request by the National Cotton Council to use discretionary authority to establish a cottonseed program under Title 1 of the Agricultural Act of 2014. Our support is conditional on your determination that the estimated cost of the program can be offset, if necessary, without negatively impacting funding for other farm bill programs or reducing funding for crop insurance, and that it will not violate U.S. commitments under the WTO.

ASA is aware of and concerned about the difficult economic conditions currently facing U.S. cotton growers and the cotton industry. Participation in the STAX program in 2014, at only 24 percent of producers, leaves a large majority of cotton farmers with no protection against low prices other than crop insurance and the marketing loan program. Allowing farmers with generic acres the option to sign up for a cottonseed PLC or County-ARC program would offer producers an improved safety net.

We do not believe a cottonseed program would have a negative impact on the production of soybeans or other oilseeds, or on vegetable oil prices. The PLC and County-ARC programs are decoupled, so payments are not tied to current-year planting of any crop and producers can respond to market signals. This market-oriented approach is similar to programs in effect under the 2008 Farm Bill, when production of cotton and cottonseed was much higher, but did not negatively affect production or prices of soybeans or other oilseeds.

Thank you for considering our views.

Sincerely yours,

A handwritten signature in black ink that reads "Richard Wilkins".

Richard Wilkins
President