January 13, 2017

The Honorable Paul Ryan Speaker U.S. House of Representatives Washington, D.C. 20515 The Honorable Nancy Pelosi Democratic Leader U.S. House of Representatives Washington, D.C. 20515

Dear Speaker Ryan and Minority Leader Pelosi:

On behalf of the undersigned U.S. agriculture, trade, and commerce-related businesses, and associations we urge you to show your support for American agriculture by advancing the relationship between the U.S. and Cuba.

As you are well aware, U.S. agricultural and food products can be exported to Cuba for humanitarian reasons under the Trade Sanctions Reform Act of 2000 (TSRA). While TSRA opened the channel for shipping agricultural commodities and food products to Cuba, restrictions on financing those sales have made it difficult to compete with our foreign competitors in the Cuban market.

Since the normalization process between the U.S. and Cuba began in December 2014, successive rounds of amendments to Cuba-related regulations have been made through the Departments of Treasury and Commerce. Those changes have allowed for different industries to explore business opportunities in Cuba and for the authorized export and financing of those exports in particular sectors, such as telecommunications, civil aviation, and entertainment. However, agriculture is at a unique disadvantage owing to the codified restrictions of TSRA that prevent similar regulatory authorizations from being extended: as of January 2016, there is a general policy of approval for exports and re-exports of some agricultural items, **but not those defined as agricultural commodities and equipment.**

This Congressional roadblock puts U.S. agriculture at a serious, global disadvantage as we watch foreign competitors continue to take away our market share because of their ability to offer generous credit terms. As recently as 2008, we were selling nearly \$700 million in agriculture products to Cuba annually. In 2015, our sales were under \$200 million in what is nearly a \$2 billion market—U.S. market share is now less than 10 percent of Cuba's agricultural imports, despite the superior quality and competitive prices of our products and the logistical advantages we have. Located just 90 miles from the U.S. coast, Cuba should be an obvious and reliable market for American businesses, as it has been in the past.

Net farm income and U.S. commodity prices are continuing to sharply decline. Depriving U.S. farmers and agribusinesses of the tools they need to be successful, such as private financing, is not only harmful for their bottom lines, but for state and local economies.

We ask you to recognize the economic value Cuba could provide as an agricultural trading partner and take action to usher in a new era for U.S. agricultural exports. **Therefore, we urge you to support H.R. 525, The Cuba Agricultural Exports Act, which would remove restrictions on export financing for agricultural products, allowing U.S. businesses to provide payment or financing terms for sales of agricultural commodities to Cuba. In addition, please reject any course of action that would reverse the critical progress we've made toward a more productive relationship with Cuba.**

We appreciate your continued support of legislation that would improve American agricultural trade opportunities that are vital to our industry.

Sincerely,

cc: Members of the U.S. House of Representatives

National Organizations

American Farm Bureau Federation American Feed Industry Association American Pulse Association American Seed Trade Association American Soybean Association Association of Equipment Manufacturers **Corn Refiners Association** Independent Professional Seed Association International Dairy Foods Association Livestock Exporters Association of the USA National Association of Egg Farmers National Association of Wheat Growers National Barley Growers Association National Black Growers Council National Corn Growers Association National Council of Farmer Cooperatives

National Farmers Union National Foreign Trade Council National Grain and Feed Association National Milk Producers Federation National Oilseed Processors Association National Potato Council National Turkey Federation Navajo Agricultural Products Industry North American Millers Association Rural & Agriculture Council of America U.S. Cattlemen's Association U.S. Cava Exports U.S. Dry Bean Council U.S. Rice Producers Association USA Dry Pea and Lentil Council USA Poultry & Egg Export Council **USA** Rice

State Organizations

Alabama Farmers Federation Alabama Poultry Association Agricultural Council of Arkansas Arkansas Farm Bureau Arkansas Rice Council Arkansas Rice Federation California Rice Commission Central Louisiana Rice Growers Association Colorado Farm Bureau Colorado Pork Producers Council Georgia Farm Bureau Idaho Grain Producers Association Idaho Potato Commission Illinois Corn Growers Association Illinois Farm Bureau Illinois Soybean Growers Iowa Corn Growers Association Iowa Farm Bureau Federation Iowa Institute for Cooperatives Iowa Soybean Association Kansas Association of Wheat Growers Kansas Corn Growers Association Kansas Farm Bureau Kansas Livestock Association Kansas Soybean Association

AGCO

Amerex Corporation Bibler Brothers Lumber and Construction Bunge Campbell Farms Cargill, Incorporated Carnes Farms, Inc. Clark AG Company Claxton Poultry CoBank Falcon Rice Mill Farmers Rice Milling Company Gary Murphy Farms Gulf Wise Commerce

Kansas Wheat Commission Louisiana Farm Bureau Federation Louisiana Rice Growers Association Louisiana Rice Producer's Group Michigan Agri-Business Association Michigan Bean Shippers Michigan Soybean Association Minnesota Barley Council Minnesota Farm Bureau Minnesota Farmers Union Minnesota Grain and Feed Association Minnesota Turkey Growers Mississippi Farm Bureau Federation Mississippi Poultry Association Mississippi Rice Council Missouri Farm Bureau Missouri Rice Council New Mexico Cattle Growers Association New Mexico Wine and Grape Growers Association Northeast Louisiana Rice Growers Association Ohio Agribusiness Association Ohio Corn & Soy Ohio Farm Bureau **Texas Farm Bureau Texas Grain Sorghum Producers** Texas Rice Producers Legislative Group

Agribusinesses

Hormel Foods Corporation Kennedy Rice Mill, LLC/Planters Rice Mill, LLC Koenig Vineyards Louisiana Rice Milling Company Mannco Fertilizer Martin Rice Company Newcomb Farms Poinsett Rice & Grain Producers Rice Mill Riceland Foods RiceTec, Inc. Riviana Foods – American Rice, Inc. Simmons Foods Texas Rice Belt Warehouse, Inc. TRC Trading Corporation