# NEWS RELEASE

**For Immediate Release:** May 20, 2020
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**PNW Wheat Associations call on USDA to Reconsider Coronavirus Food Assistance Program; All Wheat Farmers Need to be Supported**

USDA released details of its Coronavirus Food Assistance (CFAP), which provides direct financial assistance to producers of agricultural commodities affected by COVID-19. The PNW wheat associations in Oregon, Washington and Idaho welcomed news that eligible commodities for the program include durum, hard red spring wheat and malting barley. However, leaders from all three state wheat associations expressed significant reservations because most of the wheat produced in the region is excluded from program eligibility.

Hard and soft red winter wheat, and hard and soft white wheat account for the majority of wheat grown in the three states but did not meet USDA's price loss requirements for CFAP. Clint Carlson, Oregon Wheat Growers League President, stressed the challenges facing Pacific Northwest wheat farmers, stating, "We are struggling with cash flow like all other farmers and ranchers throughout the nation. Unfortunately, unless USDA reevaluates, we will not have access to these critical resources. Most of our wheat production is soft white wheat, which is specifically excluded from these payments."

CFAP funding is intended to support producers who have suffered a 5 percent or greater price decline or who had losses due to COVID-19-related market supply chain disruptions and face additional significant market costs. While wheat farmers fall within the parameters for loss, the methodology used by USDA to calculate the price loss neglects to incorporate price drops between January and April when wheat farmers were marketing their crop. It also does not account for local cash prices that farmers were receiving, which were less than futures prices in many areas of the country.

Jamie Kress, Idaho Grain Producers Association President, stated, "We appreciate USDA providing some much-needed relief to farmers, but they missed the mark by not allowing all classes of wheat to be eligible for relief. We are disappointed that USDA failed to acknowledge market declines felt by producers in the PNW this spring. The four excluded classes of wheat have all seen significant price declines and warrant inclusion in the program. As an example, local cash prices for white wheat in SE Idaho have dropped significantly since mid-January."

USDA has indicated it will consider additional crops to be eligible for CFAP by collecting further information. All three states' wheat associations encourage this revaluation. A chart showing the soft white Portland price from January to April demonstrates the volatility of the soft white market. The

market swung more than 8.5 percent from its highest price of $6.33 on January 28 to its lowest point on March 16 of $5.79.

Ryan Poe, Washington Association of Wheat Growers President and a wheat farmer from Hartline, Wash., noted that "…all classes of wheat have experienced price drops during the first quarter of 2020—a critical marketing time for wheat producers. So while cash prices were less than futures prices during the designated timeframe, many wheat growers were greatly impacted but do not qualify for CFAP. Producers of all classes of wheat should be eligible for assistance under CFAP. Like many other commodities, wheat growers have been battling low prices all year, and COVID-19 has introduced another level of instability into our markets."

Poe continued, though, with appreciation for the work done to date. "We appreciate USDA communicating the importance of U.S. food production for our national security. CFAP will allow critical assistance to farmers leading into harvest seasons across the nation."

All three states will be working with the National Association of Wheat Growers to provide information to USDA about the need to make all wheat classes eligible for CFAP.

For those with eligible commodities, producers will be able to apply for assistance through the Farm Service Agency beginning on May 26, 2020. Additional information and application forms can be found at farmers.gov/cfap.

**About Oregon Wheat Growers League.** OWGL is the primary representative for Oregon's wheat growers; working to enhance the profitability of wheat growers by communicating with and educating growers and the public, assuring markets, conducting important research, and advocating for sound business, trade, and environmental policy. More detailed information about the OWGL may be found at www.owgl.org

**About Washington Association of Wheat Growers.** Education and outreach are the heart of Washington Association of Wheat Growers activity, all of which is aimed at helping Washington wheat families. Since 1954, WAWG has been dedicated to the enrichment of the Washington wheat industry as a nonprofit trade association, which depends on volunteers, membership dues and donations to carry out activities as representatives on the state and national levels. WAWG monitors state, transportation, research and natural resources policy and partners with the National Association of Wheat Growers to monitor national farm policy. Visit www.wawg.org for more information.

**About Idaho Grain Producers Association.** With over 600 wheat and barley farm families as members, IGPA is the key policy advocacy organization working on behalf of Idaho's grain industry with local, state, and federal leaders to enhance their profitability and long-term viability. Find out more at www.idahograin.org.

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