



June 13, 2016

The Honorable Thad Cochran  
Chairman  
Committee on Appropriations  
U.S. Senate  
Washington, D.C. 20510

The Honorable Barbara Mikulski  
Vice Chairwoman  
Committee on Appropriations  
U.S. Senate  
Washington, D.C. 20510

The Honorable John Boozman  
Chairman  
Subcommittee on Financial Services  
and General Government  
U.S. Senate  
Washington, D.C. 20510

The Honorable Christopher Coons  
Ranking Member  
Subcommittee on Financial Services  
and General Government  
U.S. Senate  
Washington, D.C. 20510

Dear Chairman Cochran, Vice Chairwoman Mikulski, Chairman Boozman, and Ranking Member Coons:

The undersigned organizations of the U.S. Agriculture Coalition for Cuba (USACC) represent a broad range of more than 100 agricultural commodity and farm member organizations along with members of the agricultural private sector that support fully lifting the financing, trade, and travel bans for 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.

U.S. agriculture is at a 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% 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.

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**.

**Focus is needed on the economic value Cuba provides as a trading partner, allowing for this Congress to weigh-in by moving the critical legislation needed to allow private financing for agricultural exports to Cuba. As legislation is considered during the remainder of this Congress, we urge you to reject any language that would reverse any of the critical progress we've made toward a more productive relationship with Cuba.** Please refer to the attached document for information on the bills supported by the USACC to advance financing, travel, and trade.

Given that U.S. net farm income fell by 55% from 2013 to 2015, the biggest two-year decline since the 1920s farm crisis, this should be a time for focusing on ways to expand agricultural trade. Providing American farmers and agribusinesses with the tools they need to engage in mutually beneficial commerce with Cuba can contribute to U.S. agriculture's economic growth.

We appreciate your favorable consideration of any legislation or amendments that would advance the efforts of American agricultural trade with Cuba and encourage your continued support of our vital industry.

Sincerely,

**Agriculture Organizations**

Agribusiness Council of Indiana  
Arkansas Farm Bureau  
Arkansas Rice Federation  
Arkansas Rice Growers Association  
American Farm Bureau Federation  
American Soybean Association  
American Seed Trade Association  
American Feed Industry Association  
Association of Equipment Manufacturers  
California Rice Producers  
Cherry Marketing Institute  
Corn Refiners Association  
Council of State Governments  
CNFA: Cultivating New Frontiers in Agriculture  
Dairy Farmers of America  
Food Export Association of the Midwest USA  
Food Export – USA Northeast  
Global Aquaculture Alliance  
Illinois Corn Growers Association  
Illinois Cuba Working Group  
Illinois Soybean Growers  
Illinois Farm Bureau  
Indiana Farm Bureau  
Indiana Corn Growers Association  
Indiana Soybean Alliance  
Indiana Corn Marketing Council  
International Dairy Foods Association  
Iowa Farm Bureau

Kansas Wheat  
Louisiana Rice Council  
Louisiana Rice Growers Association  
Louis Dreyfus Company, North America Region  
Michigan Agri-Business Association  
Michigan Apple Association  
Michigan Bean Shippers  
Michigan Bean Commission  
Michigan Milk Producers Association  
Michigan Corn Growers Association  
Michigan Soybean Association  
Michigan Potato Industry Commission  
Mississippi Rice Council  
Missouri Corn Growers Association  
Missouri Soybean Association  
Missouri Department of Economic Development  
Missouri Department of Agriculture  
Missouri Rice Council  
Missouri Forest Products Association  
Missouri Farm Bureau  
Matter  
National Association of Wheat Growers  
National Association of Egg Farmers  
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 Sorghum Producers  
National Turkey Federation  
North American Export Grain Association  
North American Meat Institute  
Ohio Farm Bureau  
Rural & Agricultural Council of America  
Soyfoods Association of North America  
Texas Rice Producers Legislative Group  
Texas Farm Bureau  
University of Missouri-Fisher Delta Research Center  
US Canola Association  
US Cattlemen's Association  
US Dairy Export Council  
US Dry Bean Council  
US Soybean Export Council  
US Rice Producers Association  
USA Dry Pea & Lentil Council  
USA Rice Federation  
Virginia Department of Agriculture and Consumer Services

**Agriculture Corporations**

ADM  
AGCO  
Bunge

Butterball  
Cargill, Incorporated  
Chicago Foods International  
Campbell Farms  
Clark AG Company  
CoBank  
Franklin Electric  
GreenStone Farm Credit Services  
Hampton Alternative Energy & Feedlot  
Hover Farms  
Intertek Agriculture Services  
Kaehler Agriculture Enterprises  
Kerley Nutritional Consulting  
Louis Dreyfus Commodities  
Missouri BioZyme, Inc  
Missouri Burnett Farms  
Martin Rice Company  
Michigan Allied Poultry Industries, Inc  
Net Worth Feeds & Feeding  
Orrick Farm Services  
Sandy Ridge Cotton Company  
Smithfield Foods  
South Louisiana Rail Facility  
Sun-Maid Growers of California  
St. James Winery  
Synergy Resource Solutions, Inc.  
Thomas E. Jennings and Associates, Inc.  
US Wellness Meats

Cc:

Senator Mitch McConnell  
Senator Richard Shelby  
Senator Lamar Alexander  
Senator Susan Collins  
Senator Lisa Murkowski  
Senator Lindsay Graham  
Senator Mark Kirk  
Senator Roy Blunt  
Senator Jerry Moran  
Senator John Hoeven  
Senator Shelly Moore Capito  
Senator Bill Cassidy  
Senator James Lankford  
Senator Steve Daines

Senator Patrick Leahy  
Senator Patty Murray  
Senator Diane Feinstein  
Senator Richard Durbin  
Senator Jack Reed  
Senator Jon Tester  
Senator Tom Udall  
Senator Jeanne Shaheen  
Senator Jeff Merkley  
Senator Brian Schatz  
Senator Tammy Baldwin  
Senator Chris Murphy

Attachment: USACC Support for Cuba-related bills



# USACC

*As of May 15, 2016*

The U.S. Agriculture Coalition for Cuba has issued its support for several bills over the last year that advance commercial relations between the United States and Cuba (listed by Chamber and in order by date of issuance).

## **U.S. Senate**

- **S.299 Freedom to Travel to Cuba Act of 2015** introduced on January 29, 2015
  - Sponsor: Senator Jeff Flake (R-AZ); Original Co-sponsors: Sen. Patrick Leahy (D-VT), Sen. Richard Durbin (D-IL), Sen. John Boozman (R-AK), Sen. Sheldon Whitehouse (D-RI), Sen. Thomas Carper (D-DE)
- **S.491 Freedom to Export to Cuba Act of 2015** introduced on February 12, 2015 would allow U.S. businesses in the private sector to trade with Cuba without restrictions
  - Sponsor: Sen. Amy Klobuchar (D-MN); Original Co-sponsors: Sen. Jeff Flake (R-AZ), Sen. Michael Enzi (R-WY), Sen. Debbie Stabenow (D-MI), Sen. Patrick Leahy (D-VT), Sen. Richard Durbin (D-IL)
- **S.1049 Agricultural Export Expansion Act of 2015**, introduced on April 22, 2015 would lift the ban on private banks and companies offering credit for agricultural exports to Cuba, and help level the playing field for exporters.
  - Sponsor: Sen. Heidi Heitkamp (D-ND); Original Co-sponsor: Sen. John Boozman (R-AK), Sen. Tom Udall (D-NM), Sen. Jeff Flake (R-AZ),
- **S. 1543 The Cuba Trade Act of 2015** introduced on June 11, 2015 would allow U.S. businesses in the private sector to trade with Cuba without restrictions.
  - Sponsor: Sen. Jerry Moran (R-KS); Original Co-sponsor: Sen. Angus King (I-ME)

## **U.S. House**

- **H.R. 3238 – Cuba Trade Act of 2015** introduced on July 28, 2015 would allow U.S. businesses in the private sector to trade with Cuba without restrictions.
  - Sponsor: Rep Tom emmer (R-MN-6); Original Co-sponsor: Rep. Cathy Castor (D-FL-14), Rep. Charles W. Boustany, Jr. (R-LA-3), Rep. Mark Sanford (R-SC-1), Rep. Reid Ribble (R-WI-8), Rep Ralph Lee Abraham (R-LA-5), Rep. Justin Amash (R-MI-3), Rep. Walter B. Jones, Jr. (R-NC-3)
  
- **H.R. 3687 – Cuba Agriculture Exports Act** introduced on October 6, 2015 would allow credit to be used for U.S. agricultural export to Cuba and permit U.S. investment in privately owned Cuban agricultural businesses.
  - Sponsor: Rep. Rick Crawford (R-AK-1); Original Co-sponsors: Rep. Ted Poe (R-TX-2), Rep. Michael Conaway (R-TX-11)
  
- **H.R. 664 – The Freedom to Travel to Cuba Act** introduced February 2, 2015 allows all U.S. citizens to travel freely to Cuba.
  - Sponsor: rep. Mark Sanford (R-SC-1); Original Co-sponsors: Rep. James McGovern (D-MA-2), Rep. Jason Chaffetz (R-UT-3), Rep. Barbara Lee (D-CA-13), Rep. Kevin Cramer (R-ND-At Large), Rep. Charles B. Rangel (D-NY-13),

USACC support is based on alignment of legislation with USACC’s Charter and is evaluated in line with USACC’s Legislative Principles (listed below).

### **Principles**

Our mission is to re-establish Cuba as a market for U.S. food and agriculture exports. We believe that normalizing trade relations between the United States and Cuba will enhance Cuban citizens’ access to affordable food while providing the U.S. farm and business community with new market access opportunities. We believe that liberalized trade will drive growth in both countries and allow the U.S. farmers, ranchers and food companies to efficiently address Cuban citizens’ food security needs.

Within that framework, we support activities that advance the following:

- Re-establish Cuba as a market for U.S. food and agriculture exports
- Normalize commercial relations between the U.S. and Cuba
- Support two-way trade and investment between the U.S. and Cuba
- Reduce competitive disadvantages and otherwise enhance the ability of U.S. agriculture to compete for increased market access in Cuba
- Allow for travel to Cuba in support of advancing commercial relations
- Remove financing and trade restrictions that inhibit greater U.S. agricultural trade with Cuba

- Enable U.S. banks and private entities to offer credit in Cuba
- Allow the private sector to build capacity in partnership with Cuba and the Cuban people – including agricultural co-ops and independent Cuban farmers