

Congress of the United States

Washington, DC 20515

April 10, 2020

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

Dear Secretary Perdue,

The Coronavirus Aid, Relief and Economic Security (CARES) Act provided USDA with additional resources to support farm income and prices during this economic downturn. The CARES Act included a reimbursement of \$14 billion to the Commodity Credit Corporation (CCC), and \$9.5 billion for the Secretary to respond to the economic impacts of COVID-19. As the U.S. Department of Agriculture prepares to address financial hardship in agriculture, we urge you to use funds from the CARES Act to provide direct relief to the biofuels industry.

Demand for fuel is declining as states implement stay-at-home orders and discourage travel. This sudden shift in demand is worsening market conditions to the point ethanol plants are halting production. The biofuels industry is a vital market for the commodities our farmers produce, and USDA must take immediate action to ensure plants can retain skilled workers and continue production when market conditions improve.

The biofuels sector provides a direct and significant boost to the value of corn and soybeans. Ethanol plants purchase two out of every five bushels of U.S. corn and biodiesel producers use over 8 billion pounds of soybean oil a year. Ethanol plants produce dried distillers grains (DDGs) as a byproduct, providing livestock farmers with a low-cost, high-protein component of animal feed. To assist with the response to COVID-19, some ethanol and biofuels plants have volunteered to produce hand sanitizer and disinfectant products to address nationwide shortages. And, ethanol plants produce high purity carbon dioxide that is critical for medical facilities and food processing. The biofuels sector plays a large role in the livelihood of America's commodity and livestock producers, and biofuels plants are major employers in many rural communities.

USDA should take immediate action to stabilize the biofuels industry with resources provided by the CARES Act. We look forward to working with you on this issue as USDA assists producers through this challenging time. Thank you for considering this request.

Sincerely,



Collin C. Peterson
Member of Congress



Dave Loebach
Member of Congress



Roger Marshall, M.D.
Member of Congress



Rodney Davis
Member of Congress

Cheri Bustos
Member of Congress

Mike Bost
Member of Congress

Jim Hagedorn
Member of Congress

Darin LaHood
Member of Congress

Steve Watkins
Member of Congress

Don Bacon
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Emanuel Cleaver, II
Member of Congress

Cindy Axne
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Mike Turner
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Marcia L. Fudge
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Ron Estes
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Angie Craig
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Adrian Smith
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Greg Pence
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Steve King
Member of Congress

Dusty Johnson
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Abby Finkenauer
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Jason Smith
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Blaine Luetkemeyer
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Jeff Fortenberry
Member of Congress

Sam Graves
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Tom Emmer
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Mark Pocan
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Ann Wagner
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Ron Kind
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Vicky Hartzler
Member of Congress

Adam Kinzinger
Member of Congress

Jim Banks
Member of Congress