



*The US Rice Producers Association, representing rice producers in Arkansas, California, Louisiana, Mississippi, Missouri and Texas, is the only national rice producers' organization comprised by producers, elected by producers and representing producers in all six rice-producing states.*

## **KEY ISSUES SUMMARY**

**Federal investment in agriculture in the farm bill is justified as a national security priority interest and re-examining our status in existing and proposed trade agreements is necessary to ensure our competitiveness in world trade.**

### **USRPA strongly supports reauthorization of the farm bill.**

- The 2014 farm bill expires in 2018 and Congress will begin the reauthorization process this year. The 2014 farm bill generally comprised just 2 percent of the total Federal budget, with support to farmers and ranchers under the Commodity Title and Crop Insurance constituting only 0.29 percent of the overall budget.
- CBO estimated that the 2014 farm bill would save \$16 billion over 10 years (\$23 billion when sequestration from the May 2013 baseline is included). It has been estimated that the anticipated taxpayer savings have increased over the original projections. These savings should be recognized and no further spending reductions required from agriculture.
- If the rest of the federal budget was reduced by the same percentage as the Commodity Title in the farm bill, the entire federal budget would balance within the next 10 years with the surplus paying down debt held by the public by almost 50 percent.
- Producers need to be able to rely on long term certainty in farm policy in order to obtain financing, make investment decisions, and generally run a farm. Timing of PLC program payments can be improved in order to assist producers securing financing.

**USRPA strongly supports maintaining the current farm bill PLC commodity programs and strongly opposes any efforts to reopen farm bill issues such as payment limits. USRPA supports authorizing a partial advance PLC program payment.**

**Trade is extremely important to the rice industry because the U.S. annually exports approximately half of the crop. USRPA supports the careful scrutiny and re-examination of all of our trade agreements (proposed or enacted) to ensure that they are in the best interest of the United States. USRPA strongly urges caution in any re-negotiation to ensure that any gains the rice industry has achieved are maintained.**

- **Cuba – USRPA strongly supports Presidential and Congressional efforts to remove statutory and regulatory restrictions on trade with Cuba and requests congressional cosponsors of H.R. 525, the Cuba Agricultural Exports Act.**  
Prior to the embargo, Cuba was the largest export market for U.S. rice. Cuba is potentially a 400,000-600,000 metric ton (MT) market for rice producers. U.S. financing restrictions on sales of ag commodities have made it difficult to compete with foreign competitors in the Cuban market that are able to offer credit terms. Due to the U.S. financing restrictions, Cuban buyers must pay “cash in advance” to purchase U.S. product, resulting in U.S. market share at now less than 10% of Cuba’s agricultural

imports, despite superior quality, competitive prices of our products, and logistical advantages.

- **China-** Opening market access for sales of U.S. rice to China is a priority for the U.S. rice farmer. USRPA urges USDA-APHIS to conclude without further delay the phytosanitary protocol negotiations with China. With a WTO TRQ of over 5 million tons of rice, China imports so much rice because the country cannot grow enough to meet local demand. The U.S. government announced in September 2016 that it would pursue a trade enforcement action before the World Trade Organization (WTO) against China's price support programs for domestic rice, among other crops.

**USRPA supports efforts to open rice trade with China. However, USRPA is very concerned that the WTO trade enforcement action has greatly hindered the efforts to finalize the USDA-APHIS negotiations of the phytosanitary protocol.**

- **Colombia FTA** – In 2011, the U.S. Congress ratified the Colombia Trade Promotion Agreement (TPA). The U.S.-Colombia TPA authorized the auction of tariff-rate quotas for rice granted by Colombia to U.S. Colombia and the United States agreed to temporary phytosanitary measures for the importation by Colombia of U.S. rough rice. This geographic phytosanitary restriction excludes 98 percent of Colombian millers from purchasing U.S. rough rice. U.S. rice producers are facing a lost market opportunity in Colombia as long as this phytosanitary restriction remains.

**USRPA supports efforts to enforce the open timeframe for the shipment of U.S. rice to Colombia and other efforts to modify the phytosanitary requirements for shipments of U.S. rice to Colombia.**

- **Central America**—Ongoing U.S. grain quality issues continue to concern U.S. rice customers in Central America. Since the U.S. rice harvest of 2010, this vital market for U.S. long grain rice has complained of poor U.S. rice grain quality, especially excess chalk. Central American buyers are dissatisfied with U.S. rice shipments of blended rice varieties in bulk. USRPA supports exports of identity preserved rice to meet customers' needs and expectations and to maintain the quality and consistency of U.S. rice shipments globally.

**USRPA supports efforts (especially those currently being conducted by USDA) to modernize rice grading procedures and practices utilized by the industry to ensure that producers are able to receive objective, consistent, and reliable grades for their rice and that our exports are of the quality and identity desired by our buyers.**

- **Market Access** – USRPA supports full funding of the Market Access and Foreign Market Development Programs.

**USRPA requests congressional support for the appointment by the Secretary of Agriculture of Mark Pousson, Louisiana rice producer, to the USDA Grain Inspection Advisory Committee.**

For more information, please contact one of these USRPA representatives:

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