

Family Farming and Cotton 2016 Special Order of Business

In the 2014 farm bill cotton was completely eliminated as a covered commodity. This was done because the U.S. Congress once again allowed the World Trade Organization (WTO) to tell them what is best for the U.S. farmers. It stems from a trade dispute with Brazil over cotton subsidies. The WTO ruled against the U.S. on the matter, as it has in most trade disputes. The U.S. Congress finalized a new farm bill that left cotton out of the program and any safety-net programs. Instead they made cotton a stand-alone item and tried a Supplemental Insurance program (STAX). STAX did not adequately address the needs of cotton farmers.

Title I, Part II, Section 1111, Number 12 of the Agricultural Act of 2014 gives secretary of agriculture the authority to designate cottonseed as an oilseed. Therefore allowing cotton farmers the opportunity to be eligible for the farm safety-net programs like PLC and ARC.

National Farmers Union believes:

- That this is not the complete answer to what is happening to the cotton farmers;
- If cottonseed were eligible for ARC or PLC, it would give cotton farmers an avenue to help protect them in times of low prices and natural disasters, and
- That cotton should be a covered commodity in the farm bill;
- That cotton is a vital part of the farming industry;
- That cotton farmers should be allowed a fair market price for their cotton;
- That the world cotton market price has been driven down by China's actions of manipulating the market by holding stocks and under reporting the stocks, then flooding the market to drive down the price of cotton, and
- Without help cotton farmers will continue to struggle and many will be forced out of business, further devastating the rural communities, schools and businesses that depend on the cotton industry.

National Farmers Union supports:

- Secretary Vilsack immediately designating cottonseed as an oilseed to allow the cotton farmers access to safety-net programs;
- Cotton being a covered commodity in the farm bill;
- The U.S. Congress and U.S. Trade Representative do a thorough and timely analysis of other countries actions of manipulating the price of cotton;
- That any wrong doing by other countries in these matters should be dealt with immediately to protect the U.S. cotton farmers, and
- Cut the funding of the current STAX program and use this funding for the cottonseed as an oilseed designation.