

July 8, 2019

The Honorable Nancy Pelosi Speaker United States House of Representatives The Honorable Kevin McCarthy Minority Leader United States House of Representatives

Dear Speaker Pelosi and Leader McCarthy,

National Farmers Union represents roughly 200,000 family farmers and ranchers and rural members. According to our member-driven policy, a trade agreement should be measured by its benefit to U.S. farmers. By this this measure, the U.S. Mexico Canada Agreement (USCMA) would be a success with the **inclusion of proposals to strengthen** labor, environment, enforcement, and prescription drug provisions. These modest but important changes could help reduce health care costs and bring jobs back to rural America—key issues for America's family farmers.

Access to export markets is critical for U.S. family farms. Agricultural exports account for about 20 percent of U.S. farm income, and farmers and ranchers rely on these sales to maintain commodity prices and boost revenue. Canada and Mexico are the leading export markets for U.S. agricultural products, and USMCA would maintain those important relationships.

However, for farmers and rural communities to remain strong, they need more than high export values. The increasing cost of health care, a top concern among NFU members, is eating into already shrinking farm revenue. Farmers are increasingly dependent on off-farm employment to make ends meet, but many rural manufacturing and other jobs are moving to foreign to markets with cheaper labor and lower environmental standards.

The proposed changes to USMCA would help to address these issues. Provisions that limit the actions Congress can take to reduce prescription drug prices must be rectified to allow for future reductions in health care costs. Labor, environment, and enforcement standards must be strengthened to help to keep jobs in rural communities.

We are in a time of considerable uncertainty in agriculture. Farm income is falling, relationships with long-standing trading partners have soured, and consolidation is limiting farmers' choices and autonomy. Passage of a strong and fair USMCA with robust bipartisan support would ensure continued access to our leading export markets and provide some certainty to U.S. family farmers.

Sincerely,

Roger Johnson President, National Farmers Union