



October 29, 2013

The Honorable Frank Lucas
Chairman
House Agriculture Committee
Washington, DC 20515

The Honorable Collin Peterson
Ranking Member
House Agriculture Committee
Washington, DC 20515

The Honorable Debbie Stabenow
Chairman
Senate Agriculture Committee
Washington, DC 20510

The Honorable Thad Cochran
Ranking Member
Senate Agriculture Committee
Washington, DC 20510

Dear Chairmen Lucas and Stabenow and Ranking Members Peterson and Cochran:

As the conference on the Farm Bill proceeds, we are writing to urge you to adopt the position of the House bill concerning certain provisions in Title III governing international food aid.

The U.S. has well-honed systems to procure, transport, and deliver wholesome foods, making sure the food gets where it has to be to be consumed by the needy it is supposed to feed. Because U.S. commodities, processors, transportation systems, and vessels are employed, international food programs also support U.S. jobs, exports, farmers and our maritime industry and workforce – both of the latter also critical in preserving our national defense sealift capability. This system is transparent and tested.

U.S.-flagged vessels transport farm commodities from America's heartland to warehouses strategically-located at U.S. and foreign ports. Those commodities are pre-positioned and adequately stocked where they are ready for rapid delivery in times of emergency or compelling need. The logistics and distribution practices of this life-saving food delivery pipeline are more efficient, safe, and reliable than any other alternative method of storage and delivery. Keeping U.S. commodities the differing characteristic of these programs has been the touchstone of their success, and we believe that proven approach paves the way for a sustainable future. We also believe that the logistics and distribution practices in these programs can be fine-tuned to create greater efficiencies without abandoning the core U.S. nature of these time-tested programs.

We are concerned that food aid program budget pressures coupled with the harmful cut to cargo preference in MAP-21 have put this delivery pipeline under extraordinary stress. Now, certain well-intentioned provisions in the Senate bill aimed at "reform" and "flexibility" threaten to undercut their very nature and make them like the USAID programs which send money overseas with few tangible results and no benefit here at home—unlike PL 480 Food for Peace. We sincerely believe that, to the extent reforms are necessary to achieve additional flexibility in logistics and distribution—those can be done through the existing U.S. commodity and U.S.-flag vessel structure.

Our particular concerns with the Senate provisions are as follows.

- Sections 3008(c) and 3201(c) divert more funding away from U.S. commodity procurement to pay “the costs of up to 20 percent of activities conducted in recipient countries” by participating organizations. The diversion of funding for use in developing countries is open-ended, unaccounted for, and moves away from purchasing U.S. commodities using U.S.-flagged vessels to the detriment of the program’s agricultural and maritime stakeholders. In stark contrast to the existing framework, there is no clarity for what this money can and cannot be used. There is no promise that it will even be used to feed the hungry.
- Section 3207 includes a new, permanent Local and Regional Purchase (“LRP”) program authorized at \$240 million over the term of the bill. LRP programs are also cash transfers overseas, in lieu of exported U.S. food aid. Proposals to establish a permanent LRP program inside of the Farm Bill, or inside PL 480 Food for Peace through the appropriations process, have been rejected year after year, and should be rejected again this year. Already, \$300 million or more is consistently available through the Emergency Food Security Program (EFSP), funded under the Foreign Operations Disaster Assistance Account, for LRP. If this effort needs expansion, it should proceed under the auspices of this account.
- Section 3001 provides yet another increase in administrative costs for PVOs (“202(e) expenses”), following fresh-increases in the 2008 Farm Bill.

In closing, too much funding for these programs is being diverted away from food purchase and delivery to myriad cash transfer programs that already exist under other authority. When it comes time in the conference to deliberate these sections during debate on Title III, we urge you to agree to the House bill on these discrete points. The time has come to think about how we can shore-up these programs and deliver more U.S.-grown commodities to the hungry rather than diverting scarce funding to program administration and other priorities.

Thank you for consideration of these views.

Respectfully,

Thomas J. Bethel
National President
American Maritime Officers

Mike Jewell
President
Marine Engineers’ Beneficial Association

Don Marcus
President
International Organization of Masters, Mates & Pilots

Michael Sacco
President
Seafarers’ International Union