



# National Grange **ACTION ALERT**

## **Contact Your U.S. Congressman TODAY to Urge Their Opposition to the Garrett Amendment to H.R. 1 Eliminating MAP Funding**

**February 16, 2011**

### **Status**

Currently the U.S. House of Representatives is debating H.R. 1, the FY 11 Continuing Resolution (CR) which must be passed in order for the government to continue operating. Rep. Scott Garrett's (R-NJ) amendment to eliminate MAP funding would end a successful program which forms a partnership between non-profit U.S. agricultural trade associations, farmer cooperatives, non-profit state-regional trade groups, small businesses, and USDA to share the costs of overseas marketing and promotional activities. These programs help to open new markets for smaller organizations and co-ops, and help maintain existing level playing fields of access. Although, the House completed the agriculture section of the CR last night, we have to assume that the Garrett Amendment will be offered.

### **Background**

The Market Access Program (MAP), originally known as the Targeted Export Assistance (TEA) Program, was created in the 1985 Farm Bill and uses funds from the U.S. Department of Agriculture's Commodity Credit Corporation (CCC) to aid in the creation, expansion, and maintenance of foreign markets for U.S. agricultural products. MAP, which is administered by USDA's Foreign Agricultural Service (FAS), forms a partnership between non-profit U.S. agricultural trade associations, farmer cooperatives, non-profit state-regional trade groups, small businesses, and USDA to share the costs of overseas marketing and promotional activities such as consumer promotions, market research, trade shows, and trade servicing. The National Grange strongly urges the administration and Congress to maintain funding for MAP at the existing level of \$200 million annually as authorized by the 2008 Farm Bill and opposes any efforts like the Garrett Amendment to eliminate funding for the program.

### **Grange Policy**

As written in our Agriculture Policy Statement contained in the 2009 Journal of Proceedings and backed up by several sections of our enduring trade policy, the movement of agricultural products across our country as well as exports to foreign countries is vital to the economy of our nation.

The National Grange supports legislation or administrative action that will continue to maintain and increase the exporting of agricultural commodities.

The National Grange encourages its members to work through their commodity export promotion organizations on increasing the producers' participation in export market development. We encourage all segments of the agricultural community to increase their private investment in export market development for American agricultural commodities.

The National Grange supports integrating and coordinating existing state and federal governments' export marketing programs, such as the Market Access Program, the Market Promotion Program, and other similar programs that are designed to develop and expand foreign markets for U.S. farm products.

### **Action Needed**

Please email your U. S. Congressman and urge them to oppose the Garrett Amendment which seeks to eliminate MAP funding and the critical benefits to this program provides to our farmers, co-ops and trade groups.

**Sample E-Letter:**

February \_\_\_\_, 2011

Dear Congressman \_\_\_\_\_,

I am writing to urge your opposition to the Garrett Amendment to H.R. 1. As a Grange Member dedicated to a robust American agriculture, and a competitive rural America, I strongly urge you to oppose this measure that threatens to eliminate a program which has opened and sustained new markets for U.S. agricultural exports.

As a Granger, I am very aware of the financial restraints that are needed in our government today, but this amendment seeks to gut the very type of program whose return on investment and use of the cooperative system should be an example to other government programs rather than one up for elimination.

MAP also mirrors the Grange's deep history and commitment to the cooperative system of advocacy. MAP is administered on a reimbursable cost-share basis, specifically targeting small businesses, farmer cooperatives, and non-profit trade organizations. While government is an important partner in this effort, industry contributions are now estimated to represent almost 60% of total annual spending on market development and promotion, up from roughly 45% in 1996 and less than 30% in 1991, which demonstrates industry commitment to the effort (Source USDA). Without the incentive of MAP funding through this important cost-share program, it is highly unlikely that private funds could be attracted to form a strategic and coordinated U.S. agricultural export promotion effort.

Here are several ways that MAP is contributing to the U.S. economy:

Serves as a "Buy American Made" program by promoting only American-grown and produced commodities.

Every billion dollars in U.S. agricultural exports supports around 8,000 American jobs. (Source USDA)

Given U.S. agricultural exports are forecast to be \$126.5 billion in FY 11, over 1 million Americans will have jobs that depend on these exports, thanks in part to MAP and related programs that have helped boost U.S. agricultural exports. (Source USDA)

An updated study of MAP and FMD commissioned by USDA shows that over the 2002-09 period, export gains associated with the programs increased the average annual level of U.S. farm cash receipts by \$4.4 billion and net cash farm income by \$1.5 billion. The study also shows that U.S. domestic farm support payments were reduced by roughly \$54 million annually due to higher prices from increased demand abroad, thus reducing the net cost of the programs. (Source: A Cost Benefit Analysis of USDA's International Market Development Programs, IHS Global Insight (USA), Inc., March 2010).

Additionally, Grangers have a strong belief that foreign trade should be fair and that U.S. agricultural products should have access to markets all over the globe. Here are several ways that MAP helps level the playing field for U.S. farmers and producers:

In recent years, the EU, the Cairns Group, and other foreign competitors have devoted considerable resources on various market development activities to promote their exports of agricultural, forestry, and fishery products (Source USDA). A significant portion of this is carried out in the U.S.

Eliminating or reducing funding for MAP in the face of continued subsidized foreign competition would put American farmers and workers at a substantial competitive disadvantage.

Grangers are passionate in playing their role in contributing to a robust economy and celebrate their responsibility of citizenship. Again, we kindly urge your opposition to the Garrett Amendment to H.R. 1, which would eliminate MAP and other programs that are dedicated to American competitiveness. Thank you for your time and consideration on this matter.

Sincerely,

Your name

Your Grange number

If you have any questions or comments regarding this Action Alert, please contact National Grange Program Assistance Grace Boatright by e-mail: [gboatright@nationalgrange.org](mailto:gboatright@nationalgrange.org); or by phone 1-888-4GRANGE. Ext. 107.

Thank you for your grassroots participation in the National Grange Legislative Program.