February 26, 2018

The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

While millions of Americans are benefitting from a growing economy and from your tax reforms, times are tough in rural America. The U.S. Department of Agriculture projects 2018 net farm income will decline $4.3 billion, a 6.7 percent reduction from 2017 levels. This represents the lowest net farm income, in nominal dollars, since 2006 and is a 50-percent decline in net farm income since 2013. The heart of America is being left behind when it comes to economic growth and opportunity.

For the past ten years, the Renewable Fuels Standard (RFS) has been a strong engine driving the rural economy. The RFS, which sets targets for blending ethanol and biodiesel into our nation’s fuel supply, created new markets for our farmers, created new jobs in rural America, gave consumers more fuel choices, and improved our nation’s air quality. By any measure, the RFS has been successful not only for agriculture, but for our nation. This growth has slowed, however, in the face of past government policies and oil industry opposition.

But while our fellow farmers struggle with declining farm income and a poor agricultural economy, most oil refiners are experiencing a boom. Refiners are reporting surging profits and significant gains from recent tax reforms. The recent bankruptcy claims of an East Coast refiner are not reflective of the state of the refining industry, but rather the hallmark of poor business decisions and a willingness to put investor returns before refinery jobs. Despite the claims of adverse impacts from Renewable Identification Number (RIN) costs, last November, the Environmental Protection Agency concluded that RIN values are not causing economic harm to refiners. The failings of one company should not be used as an excuse for undermining a law that serves hundreds of ethanol and biodiesel plants, tens of thousands of renewable fuel plant workers, and millions of farmers who rely upon the strong market demand created by the RFS.

Mr. President, we appreciate your steadfast support for the RFS since the early days of your campaign. As you meet this week to discuss these issues, we ask that you not entertain proposals that would undermine the purpose and intent of the RFS. There are options to address refiners’ concerns that do not undercut the RFS. Any action that seeks to weaken the RFS for the benefit of a handful of refiners will, by extension, be borne on the backs of our farmers.

Sincerely,

Kevin Skunes, President
National Corn Growers Association

John Heisdorffer, President
American Soybean Association

Zippy Duvall, President
American Farm Bureau Federation

Roger Johnson, President
National Farmers Union

Gordon Stoner, President
National Association of Wheat Growers

Don Bloss, Chairman
National Sorghum Producers

cc: Secretary Perdue, Secretary Perry, Administrator Pruitt