

November 19, 2009

The Honorable Tom Vilsack
Secretary of Agriculture
US Department of Agriculture
1400 Independence Avenue
Washington, D.C. 20250



Dear Secretary Vilsack,

The undersigned twenty-five **WATERKEEPER®** organizations and **WATERKEEPER®** Alliance representing thousands of members call for USDA to **immediately suspend all direct or guaranteed loans for the construction or expansion of specialized hog or poultry production facilities.** We support the more than 25,000 Americans who called for a suspension of these loans on a petition delivered to your office on October 22, 2009.

The vision of the Waterkeeper movement is for fishable, swimmable and drinkable water worldwide. Waterkeepers have long documented the environmental and public health harms that Confined Animal Feeding Operations have on our waterways and surrounding communities. During a time when many growers in the pork and poultry industry are losing their contracts and going bankrupt, some integrators are currently seeking to build new infrastructure. The use of public resources for this purpose is a wasteful use of American taxpayers' dollars and helps to perpetuate an unsustainable business model that ultimately harms our communities.

During the past two fiscal years, the Farm Service Agency (FSA) has provided direct and guaranteed loans for new hog and poultry building construction totaling \$264,466,341. Such loans created the recent overproduction in which tax payers dollars were used to bail out the industry. Therefore, this is not the time to provide loans for new construction. A demonstrative example is the recent bankruptcy of Coharie Farms, one of the largest pork producers in North Carolina and the country; a bankruptcy that was brought on in large part by a national surplus in pork, which has resulted in the Coharie Farms owing in excess of three million dollars to various vendors, including farmers.

Facing a similar situation in 1999, USDA suspended all direct and guaranteed loan financing for the construction of specialized hog facilities, citing concerns that FSA loans could exacerbate the crisis of oversupply and low prices affecting the hog industry.

USDA is using taxpayer dollars for bonus pork and poultry buys due to low prices resulting from the very overproduction that USDA is facilitating through direct and guaranteed loans. In December of last year, USDA authorized the payment of \$42 million for an emergency purchase of chicken products. Since March of 2009, USDA has committed to buy out \$55 million of excess pork. Now the industry is asking for an additional \$100 million.

Suspending government loans and loan guarantees for specialized hog and poultry facilities is a necessary and sound decision for several reasons. It will prevent such loans from exacerbating the current overproduction that is resulting in low prices and low payments. It will also allow communities the needed time to work towards a sustainable solution to our country's meat industry; a solution that is both in the best interests of the farm community as well as the environment. Only through such rational actions and good planning can the US reach the goal of the 1972 federal Clean Water Act to have all waters fishable and swimmable.

For these reasons, **we call for USDA to suspend all direct or guaranteed farm ownership or operating loans for the construction or expansion of specialized hog or poultry production facilities.**

Sincerely,



Heather Jacobs Deck
Pamlico-Tar **RIVERKEEPER**[®]
Pamlico-Tar River Foundation
Washington, North Carolina

Hannah Connor
Staff Attorney
WATERKEEPER[®] Alliance
Irvington, New York

Larry Baldwin
Lower Neuse **RIVERKEEPER**[®]
Neuse **RIVERKEEPER**[®] Foundation
New Bern, North Carolina

Tess Sanders
White-Oak New **RIVERKEEPER**[®]
White-Oak New River Alliance
Jacksonville, North Carolina

Michael William Mullen
Choctawhatchee **RIVERKEEPER**[®]
Choctawhatchee **RIVERKEEPER**[®], Inc.
Troy, Alabama

Earl L. Hatley
Grand **RIVERKEEPER**[®]
Vinita, OK

Chasidy Hobbs
Emerald **COASTKEEPER**[®]
Pensacola, Florida

Bill Schultz
Raritan **RIVERKEEPER**[®]
Keasbey, NJ

Myra Crawford
Cahaba **RIVERKEEPER**[®]
Birmingham, Alabama

Christine Ellis
Waccamaw **RIVERKEEPER**[®]
Conway, South Carolina

Elaine Chiosso
Haw **RIVERKEEPER**[®]
Haw River Assembly
Bynum, North Carolina

Nelson Brooke
RIVERKEEPER[®]/Executive Director
Black Warrior **RIVERKEEPER**[®]
Birmingham, Alabama

Dean Naujoks
Yadkin **RIVERKEEPER**[®]
Yadkin **RIVERKEEPER**[®], Inc.
Winston-Salem, North Carolina

C. David Merryman
Catawba **RIVERKEEPER**[®]
Catawba **RIVERKEEPER**[®] Foundation, Inc.
Charlotte, North Carolina

Hartwell Carson
French Broad **RIVERKEEPER**[®]
RiverLink
Asheville, North Carolina

Mike Giles
Cape Fear **COASTKEEPER**[®]
North Carolina Coastal Federation

Jan DeBlieu
Cape Hatteras **COASTKEEPER**[®]
North Carolina Coastal Federation

Frank Tursi
Cape Lookout **COASTKEEPER**[®]
North Carolina Coastal Federation

Donna Lisenby
Upper Watauga **RIVERKEEPER**[®]
Boone, North Carolina

Laura Calwell, Kansas **RIVERKEEPER**[®]
Friends of the Kaw
Lawrence, Kansas

John Carswell
Acting Executive Director
Satilla **RIVERKEEPER**®
Waynesville, Georgia

Doug Springer
Cape Fear **RIVERKEEPER**®
Cape Fear Riverwatch, Inc.
Wilmington, North Carolina

Kathy Phillips
Assateague **COASTKEEPER**®
Executive Director
Assateague Coastal Trust
Berlin, Maryland

Cheryl Nenn
Milwaukee **RIVERKEEPER**®
Milwaukee, Wisconsin

Rick Eichstaedt
Spokane **RIVERKEEPER**®
Spokane, Washington

Paul Orr
Lower Mississippi **RIVERKEEPER**®
Baton Rouge, Louisiana