

Illinois Pork Producers. Generations of Commitment

April 30, 2020

Governor JB Pritzker Office of Governor 207 State House Springfield, IL 62706

Dear Governor Pritzker;

Thank you for your continued leadership as the state and nation struggle in the face of the challenges presented by COVID-19. We recognize the complexity of the problems you are facing, especially with regard to the challenges facing agriculture in our state.

As you are no doubt aware, the pork industry in Illinois is currently in crisis mode. Pork producers have long been leaders of the agricultural community in Illinois. Our industry ranks #4 in nation for pork production, providing over \$13.8 billion to the state's economy. Hog production makes up \$1.1 billion and hog processing adds an additional \$12.7 billion. Our industry also supports over 57,000 jobs in Illinois. The continued shutdown of packing plants across the region, including the recent Smithfield closure in Monmouth, and throughout the country is causing devastating financial harm to the pork producers in our state and their families.

Everyday seems to bring news of another major pork processing plant shutting down. Currently, there are at least 7 major pork processing plants that have ceased operations in response to the

COVID-19 crisis representing approximately 24% of the overall capacity.

	Location	Daily Volume	
JBS	Worthington, MN	21,000	
JBS	Marshalltown, IA	21,000	
Smithfield	Sioux Falls, SD	19,500	
Tyson Foods	Waterloo, IA	19,500	
Indiana Packing	Delphi, IN	17,300	
Tyson Foods	Logansport, IN	15,400	
Smithfield	Monmouth, IL	12,600	
Total		126,300	

In addition to these plants which are currently offline and routinely receive delivery of hogs from our states producers, much of the remaining plants across the country are currently operating at a fraction of their normal capacity as they struggle to manage the risks presented by COVID-19. Altogether, well over 750,000 market ready hogs a week have been and are currently backing up across the country and throughout Illinois. Here is a projection specific to Illinois demonstrating that the shortfall in packing capacity will quickly reach approximately 100,000 market ready pigs per week.



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l		llinois Scenario				
	2,700,000	12,000,000	230,769			
			IL Weekly			
1	Packing	IL Annual	Slaughter			
	Capacity	Production	Inventory			
			Į.	350		\$0.50
	% of Normal	Weekly	Cumulative			
Wk Starting	<u>Cap</u>	Shortfall	Shortfall	Weight		Value
6-Apr	-2.0%	(4,701)	(4,701)	1,645,299	\$	822,650
13-Apr	-8.4%	(19,316)	(24,017)	6,760,684	\$	3,380,342
20-Apr	-18.0%	(41,624)	(65,641)	14,568,376	\$	7,284,188
27-Apr	-44.9%	(103,590)	(169,231)	36,256,410	\$	18,128,205
4-May	-44.4%	(102,564)	(271,795)	35,897,436	\$	17,948,718
11-May	-42.6%	(98,291)	(370,085)	34,401,709	\$	17,200,855
18-May	-38.9%	(89,744)	(459,829)	31,410,256	\$	15,705,128
25-May	-37.0%	(85,470)	(545,299)	29,914,530	\$	14,957,265
1-Jun	-31.5%	(72,650)	(617,949)	25,427,350	\$	12,713,675
8-Jun	-27.8%	(64,103)	(682,051)	22,435,897	\$	11,217,949
15-Jun	-16.7%	(38,462)	(720,513)	13,461,538	\$	6,730,769
22-Jun	-5.6%	(12,821)	(733,333)	4,487,179	\$	2,243,590
29-Jun	-13.7%	(31,624)	(764,957)	11,068,376	\$	5,534,188
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267,735,043 \$ 133,867,521

Now, with no place to delivery their animals, they are faced with grim choices, including the euthanization of our herds. Euthanizing the herds will be difficult and traumatic, especially in the current reality of food shortages, destroying the value of these animals and creating an environmental struggle as we seek to dispose of their carcasses in a manner that protects the environment. The full extent of damages, and the sheer number of animals likely to be euthanized, is difficult to ascertain. But it will be a sizeable volume, with millions of nearly 350 pound animals being put down.

At the same time our state's pork producers find themselves forced to euthanize their herds, they are also going broke as the loss of a market for their animals depletes their cash flow and destroys their business. So far, as the COVID-19 crisis has attacked the United States, pork producers have received almost no financial assistance. As a result, Illinois' pork producers lack the financial resources to properly dispose of the projected 750,000 hog carcasses expected to result. With warm weather approaching, the presence of these carcasses decomposing across the state will lead to a certain public health crisis, with potential to pollute rural water sources and risking the spread of further illness.



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This is a critical emergency situation and we are requesting that you take the following immediate actions:

- 1) Ensure that the states ongoing disaster declarations include recognition of the massive harm that is currently occurring in the pork sector and the need to help undertake emergency protective measures to remove and dispose of the significant volume of euthanized swine from our states herd that is expected to begin occurring;
- 2) Work with the states pork producers to respond to this quickly emerging public health emergency by undertaking the necessary Emergency Protective Measure to reduce the risk to the public posed by the expected 750,000 euthanized hog carcasses; and
- 3) Request Emergency Support from the Federal Emergency Management Agency to assist and support our states efforts to engage in Emergency Protective Measures to ensure that these carcasses are removed and disposed of in a manner that is safe and protects public health. FEMA is authorized to provide this assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act).

FEMA has the resources available to help support the efforts that will be required to manage the carcasses of Illinois' swine herd - by composting, landfill utilization, and/or rendering – and FEMA's engagement and financial support under the Stafford Act will allow for a more orderly and effective process, including through coordination with other federal agencies, to take place and preserve and protect public health in Illinois. Importantly, as FEMA routinely does when a hurricane or other natural disaster presents itself, it is vital that this process start immediately, to ensure the necessary resources and expertise are in place before the mass euthanization of our states swine herd overwhelms resources and causes an additional public health crisis.

#### Here are the steps the State of Illinois needs to take:

- Allocate resources to the agency that will fund and manage this emergency response effort
- Contact the FEMA Region 5 USDA APHIS ESF#11 Coordinator, Eugene Deener at 224-337-2930
  - o Indicate the state's intent to apply for FEMA aid
  - Ask for assistance in the application process to ensure the language in the FEMA application is appropriate to the situation
- Include these items with the application
  - Since FEMA activity typically does not occur on private property, an indication of the state's intent to get signed waivers, hold harmless, or right of entry forms from farm owners
  - A reference to the state's intent to provide a form for the producer to sign indicating funds have not been received from an alternative source
  - A letter from a state public health official indicating that these carcasses are a public health threat if not disposed of properly
  - o A letter from a state environmental official indicating the negative environmental impacts of improper disposal of these carcasses



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- A letter from the pork industry indicating the necessity for producers to euthanize animals due to COVID-19 related supply chain issues
- o A letter from a competent authority addressing the packer shutdown in the state
- A letter explaining the inadequacy of NRCS EQIP funds for this purpose because
  of the lack of adequate funds, timing of producer reimbursement, inability
  coordinate a centralized disposal effort because of the individualized
  reimbursement process, and lack of a statutory mandate that NRCS make the
  funds available for this purpose

These resources and services are needed immediately to abate the potential threat to public health and mitigate any environmental impact from what is certain to occur as COVID-19 continues to destroy Illinois' pork industry. To the extent that the state requires hold harmless agreements, or permission to enter onto private property to carry out this task, Illinois Pork Producers Association will work with State Authorities to ensure the proper waivers and authorizations are signed

Sincerely,

Lennifer Tirey

**Executive Director** 

CC: Illinois Department of Agriculture Acting Director Jerry Costello Deputy Governor Dan Hynes