

# USDA Bonus Purchases

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# History

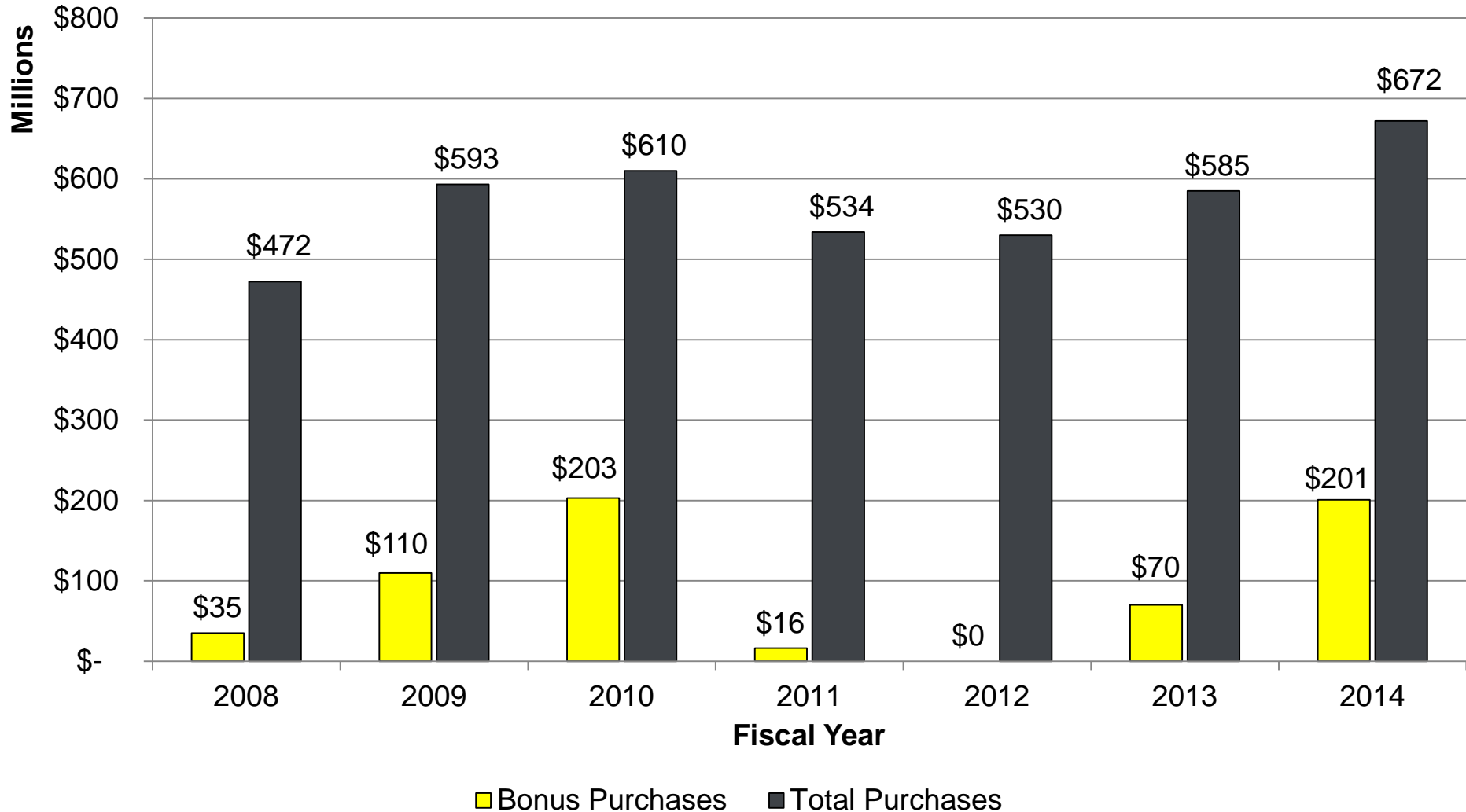
Section 32 of the Act of August 24, 1935, authorizes the Secretary of Agriculture to use these funds for commodity purchases, entitlement purchases and disaster assistance

Section 32 funds are an appropriation of annual U.S. customs receipts

# Purpose

- Help alleviate depressed markets for domestically produced agriculture products
  - Causes of depressed markets
  - Oversupply of the domestic market
  - Market price weakness
  - Loss of market share
- USDA is here to help but this is not a long-term solution
  - If there is constant over-supply, low prices are the way that the market is telling growers to produce less

# USDA Fruit and Vegetable Purchases



# Submitting a Bonus Request

- A representative of the industry submits a written request to USDA asking for a bonus purchase
- A written request can be as simple or as detailed as the industry prefers
  - However, the more information the industry is able to provide the better as this strengthens the case for why USDA should take action
- Please include in the request the quantity the industry would like the USDA to purchase

# Data Used for Analysis

- Production Levels
- Grower Prices
- Wholesale Prices
- Imports and Exports
  
- Data is typically compared to the previous year and to the three or five-year average when appropriate

# Data Sources

- National Agricultural Statistic Service
- Economic Research Service
- Global Agricultural Trade System
  - Foreign Agricultural Service
- American Restaurant Association
- Food Institute
  
- **Any information the industry can provide with the purchase request is greatly appreciated and can help justify USDA action**

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**Questions?**

**Contact Information**