

The Honorable Mitch McConnell Majority Leader United States Senate Washington, DC 20510

The Honorable Richard Shelby Chairman, Senate Appropriations Committee United States Senate Washington, DC 20510

The Honorable Pat Roberts Chairman, Senate Agriculture Committee United States Senate Washington, DC 20510

The Honorable Nancy Pelosi Speaker of the House United States House of Representatives Washington, DC 20515

The Honorable Nita Lowey Chairwoman, House Appropriations Committee United States House of Representatives Washington, DC 20515

The Honorable Collin Peterson Chairman, House Agriculture Committee United States House of Representatives Washington, DC 20515

Dear Congressional Leaders:

The Honorable Chuck Schumer Minority Leader United States Senate Washington, DC 20510

The Honorable Patrick Leahy Ranking Member, Senate Appropriations Committee United States Senate Washington, DC 20510

The Honorable Debbie Stabenow Ranking Member, Senate Agriculture Committee United States Senate Washington, DC 20510

The Honorable Kevin McCarthy Minority Leader United States House of Representatives Washington, DC 20515

The Honorable Kay Granger Ranking Member, House Appropriations Committee United States House of Representatives Washington, DC 20515

The Honorable K. Michael Conaway Ranking Member, House Agriculture Committee United States House of Representatives Washington, DC 20515

Thank you for your continued work to steer our nation through the coronavirus pandemic and its painful impacts on the lives of every American. It is now clear as the nation grapples with a third wave of rising infection rates, that the impacts of the pandemic will continue well into our future.

As you begin to consider the next relief package, special attention must be given to small and midsized farms, especially those serving local and regional food markets, who have suffered greatly during the pandemic.

The CARES Act contained several provisions that have provided emergency support for farmers who are struggling with lost markets due to the coronavirus pandemic. However, the important tools to keep people safe and limit the harm of this pandemic (social distancing, the closure of schools, institutions, and restaurants, and ensuring that food system workers stay safe and healthy) will continue to pose a long-term challenge for farmers, processors, and market operators, especially those engaged in local and regional markets and those with the fewest resources to draw on in this time of crisis.

New programs and policy options are therefore necessary to stabilize the entirety of the food value chain – from farms to markets to consumers – so that no vital link fails. While all farmers may need

some assistance during this challenging time, it is the owners and operators of small and mid-sized farms, especially beginning and socially-disadvantaged producers, that are the most vulnerable and also so often overlooked by USDA. They need targeted assistance. In that light, the National Sustainable Agriculture Coalition offers the following recommendations:

Healthy Food Access

Families throughout the country continue to struggle with food security at the same time farmers are seeking alternative markets with a majority of schools, restaurants, and hotels closed or operating at drastically reduced capacity throughout the country. Congressional efforts to provide more funding for traditional emergency feeding supply chains and the USDA's Farmers to Families Food Box Program have helped address this unprecedented crisis, but they have not been without their shortcomings.

As Congress looks to the next phase of providing hunger relief for millions of Americans, we urge you to take a comprehensive approach to the problem and include innovative solutions that will help states and communities work together with farmers and ranchers to feed the least fortunate among us. The most important and efficient step Congress can take is to **immediately increase the SNAP benefit by 15 percent and raise the minimum monthly benefit to \$30**.

In addition to increasing SNAP, we urge you to **equitably expand online access of SNAP benefits and ensure continued access to healthy farm products.** Congress should move quickly to expand the online SNAP pilot program to all states and territories and invest in technology that would "level the playing field" and enable all SNAP authorized retailers to participate, including local farms and farm businesses that have traditionally served SNAP participants through farmers markets, farm stands, and on-farm markets. To expand online SNAP sales to all states and provide information technology investments and technical assistance to expand online SNAP to more authorized retailers we urge you to include the following bill in the next pandemic response package:

• Expanding SNAP Options Act of 2020 (<u>S. 4202</u> / <u>H.R. 7535</u>) introduced by Senator Durbin (D-IL) & Senator Duckworth (D-IL); and Representative Kelly (D-IL)

As you work to improve the existing architecture that supports SNAP, our nation's most successful anti-poverty program, there are additional ways that you could support farmer and food hub efforts to address food insecurity. Community-based food hubs have been incredibly successful at responding to the crisis of food insecurity during the pandemic, utilizing Farmers to Families Food Box funding (Round 1 and 2 *only*) and leveraging their deep connections to the communities they serve, both farmers and consumers. However, changes made to the "food box" program have unfortunately resulted in the de facto elimination of food hub and small and midsized farm involvement in the program. To create an alternative approach that would support both traditional emergency feeding organizations and non traditional community based food systems entities we urge you to include the following bill in the next pandemic response package:.

• Farmers Feeding Families - Coronavirus Response Act (H.R. 6721/ S.3655) - introduced by Representatives Kim Schrier (D-WA), Cathy McMorris Rogers (R-WA), and Chellie Pingree (D-ME); and Senator Bob Casey (D-PA)

Food Systems Infrastructure

The pandemic has revealed the precarious nature of highly concentrated food and farming supply chains in our country. From farmers markets to meat and poultry processing, there is a critical need for emergency assistance and investments in food systems infrastructure. Investing in the retooling and expansion of existing food infrastructure, whether short local supply chains or national supply chains, is critical to ensuring the resilience of our food systems as the pandemic continues throughout 2021. We urge you to include the following bills in the next pandemic response package:

- The Food Supply Protection Act (<u>S.4435</u>) introduced by Senators Debbie Stabenow (D-MI), Lisa Murkowski (R-AK), Patrick Leahy (D-VT) and Bill Cassidy (R-LA).
- The Small Packer Overtime and Holiday Fee Relief COVID-19 Act (<u>S.3797</u>/ <u>H.R.6977</u>) introduced by Senators Moran (R-KS) and Bennet (D-CO), and Representative Dusty Johnson (R-SD).
- The Strengthening Local Processing Act (<u>H.R. 8431</u>) introduced by Representatives Chellie Pingree (D-ME) and Jeff Fortenberry (R-NE).

Credit and Disaster Assistance

Access to emergency capital and other forms of disaster assistance are of the utmost importance during this time of unprecedented crisis and uncertainty. As farmers and other small businesses have seen direct impacts on the health and safety of their workforce and ability to get their products to market, private and public lenders play an essential role in keeping these businesses stable during the ebbs and flows of this crisis. We urge you to include the following in the next pandemic response package:

- Suspend loan accelerations and farm foreclosures through 2021. USDA has suspended loan accelerations and non-judicial farm foreclosures administratively, but without a timeline for when the suspension will be lifted. Given the uncertainty farmers face in the months and year ahead, Congress should ensure that these temporary policies remain in place through the next growing season. Additionally, USDA should place a moratorium on all farm loan foreclosures. Although a moratorium on residential loan foreclosures was included in the CARES Act, this provision does not apply to guaranteed FSA Farm Ownership loans that include a home on the mortgaged property.
- Expand the FSA disaster set-aside to allow farmers to automatically defer up to two annual loan payments to help farm borrowers weather this crisis. Additionally, farmers should be able to extend their loan terms by two years to assist with their ability to repay the loan.
- Suspend term limits for FSA direct operating loans for 2020 and 2021. Term limits are impeding access to operating loans for many hard-pressed and limited resource producers.
- Expand Paycheck Protection Program to better serve farmers and food systems. Ensure farms that are self-employed and do not have formal "employees" on payroll are still eligible for PPP. These self-employed farmers with no wage, commission, net income, or net earnings from self- employment or similar compensation on their tax forms should be allowed to instead use their gross income for eligibility and payroll cost estimates.

In addition to the recommendations above, future aid packages must address some of the shortcoming of the USDA's Coronavirus Farm Assistance Program (CFAP), which has been providing assistance in the form of direct payments to American farmers and ranchers that have lost sales and markets as a result of the pandemic. Contract poultry growers have not been eligible for assistance through CFAP. We urge you to include authority and funding for USDA to provide meaningful assistance for contract producers in the next pandemic response package.

Thank you for your continued support for America's farmers, families, and communities. If you have any questions regarding these recommendations please do not hesitate to contact me.

Sincerely,

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cc: Senate and House Agriculture Appropriations Subcommittee, Chairs and Ranking Members