

July 9, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

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

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

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

Dear Speaker Pelosi, Leader McConnell, Leader McCarthy, and Leader Schumer:

The undersigned agricultural organizations commend you for your diligent work to respond to the devastating effects that the COVID-19 pandemic has wrought on our country. Working together, you and your colleagues have delivered much needed support to individuals and businesses. As the agriculture sector continues to endure significant hardships during this extraordinary time, we are writing to stress that further action is needed.

As Congress develops and debates additional bipartisan legislation in response to COVID-19 and the resulting impacts to workers and the economy, the economic losses persisting across U.S. agriculture must be addressed in the legislation and in future assistance provided by USDA. The economic losses across the U.S. agriculture sector are broad-based, directly impacting farmers and ranchers and their supply chain partners – from input providers to end users. The widespread closures at the retail and food service levels are impacting consumer demand and purchasing patterns in ways that the industry has never experienced. The disruptions and logistical challenges in the supply chain are adding unprecedented costs and risks in the marketing system. USDA's most recent World Agricultural Supply and Demand Estimates suggest that the decline in commodity value alone is nearly \$50 billion. Much of this decline is attributable to COVID-19-related supply and demand destruction. This does not include all of agriculture's losses which would be billions more. Moreover, millions of Americans are food insecure right now and are in need of critical nutrition assistance.

Following enactment of the CARES Act in March, USDA developed the Coronavirus Food Assistance Program (CFAP). While the CFAP will provide some farmers with needed relief, it falls far short of addressing the vast needs of the agricultural economy as all commodities are facing unique and different challenges. To that end, we urge you to provide significantly more funding to assist farmers, ranchers and their supply chain partners and to do so in a way that will provide strong and equitable support across the agricultural economy.

The undersigned organizations, representing the majority of U.S. production agriculture and related industries, urge that the following priorities be addressed in the next legislation developed by Congress in response to COVID-19. These recommendations have broad support across most of U.S. production agriculture, representing crops and livestock.

- Provide additional funding to USDA specifically for farmer and rancher COVID-19 temporary relief and assistance, while also replenishing and increasing the cap for the Commodity Credit Corporation to at least \$50 billion.

- Provide policies and funding for USDA to provide direct and temporary assistance to the broader agricultural supply chain beyond the farm gate.

Additionally, as we have seen many of our fellow Americans struggling through this pandemic, we encourage you to provide the much-needed support for our critical nutrition programs. Our nation's nutrition and feeding programs are the first line of defense against hunger, and a key component of the broader agricultural value chain. As the economy continues to struggle, providing additional funding and flexibilities for these programs will be crucial to helping many recover from the economic impacts of the COVID-19 pandemic.

Finally, as part of additional economic relief efforts, we suggest Congress seek opportunities to address broader policy needs that would help stimulate the economy such as rural broadband expansion and transportation projects. We also support ongoing efforts to improve the programs and policies outside of USDA's jurisdiction, including the Paycheck Protection Program, Economic Injury Disaster Loan program, liability issues, tax provisions, and regulatory relief for lenders to allow them to better support their farmer and rancher customers.

Our organizations are ready to work with you and your colleagues to accomplish the above priorities in order to help American agriculture respond, recover, and remain the economic engine that supplies the U.S. and the world with food, feed, fiber and fuel.

Thank you for your leadership and continued efforts.

Sincerely,

Agricultural Retailers Association
American Farm Bureau Federation
American Seed Trade Association
American Soybean Association
American Sugar Alliance
Biotechnology Innovation Organization
CropLife America
Farm Credit Council
National Association of State Departments of Agriculture
National Association of Wheat Growers
National Cattlemen's Beef Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Farmers Union
National Milk Producers Federation
National Pork Producers Council
National Sorghum Producers
The Fertilizer Institute
United Fresh Produce Association
USA Rice