

U.S. Rep. Kind: Leads bipartisan letter urging SBA to provide needed flexibility for family farmers blocked from accessing certain small business programs

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La Crosse, WI—Today, **Reps. Ron Kind (D-WI), John Joyce, M.D. (R-PA), Glenn (GT) Thompson (R-PA), and Anthony Brindisi (D-NY)** sent a letter to Small Business Administration (SBA) Administrator Jovita Carranza and Department of Treasury Secretary Steve Mnuchin calling for additional guidance that will allow farmers access to the SBA's Paycheck Protection Program (PPP) who would otherwise be shutout.

Agriculture entities account for their operations uniquely, and unlike other small businesses, some family farms do not report a final profit, although farming is their primary source of income. Without showing a profit, they are unable to prove eligibility to access PPP under current program requirements. However, the Farm Service Agency and others at the United States Department of Agriculture (USDA) have been able to use alternative ways to adequately account for loan underwriting risk and interpret business operations in order to administer various farm loans to farmers every year. In the letter, Rep. Kind and his colleagues are urging the SBA to work with USDA to use simple commonsense metrics that already exist in USDA loan programs to create an alternative that would allow for farmers to prove that their farms should be eligible for the PPP.

“Even before the COVID-19 pandemic, many farmers were struggling due to reckless trade wars and difficult farming conditions, and this year they were looking forward to turning things around. If these farmers are left out of the program, they may be forced to cease operations permanently, which will have long term effects on Wisconsin’s rural economy,” said **Rep. Ron Kind**. “The USDA already has metrics in place that account for these types of situations. The SBA just needs to work with the USDA to create similar metrics for the PPP. It’s a simple solution that will give farmers an even playing field with other small businesses.”

“NMPF has been working to remove the obstacles preventing dairy producers from accessing the support Congress intended for them as small businesses in the CARES Act. We thank Congressmen Kind, Joyce, Brindisi, and Thompson for championing a bipartisan solution for dairy farmers who are currently being denied PPP loans if they did not make a net profit last year. We look forward to continuing to work with them to ensure dairy farmers have equal access to this crucial small business support,” said **National Milk Producers Federation President and CEO Jim Mulhern**.

“During this unprecedented crisis, our farmers – even as they endure significant hardships – are working tirelessly to ensure that each and every American has access to a reliable food supply,” said **Rep. John Joyce, M.D.** “The Small Business Administration and the U.S. Department of Agriculture have made progress to ensure that our agricultural producers can access the Paycheck Protection Program, but we must do more to assist these hardworking Americans. I encourage the agencies to continue their partnership and to quickly address the obstacles that farmers are facing. It is my privilege to fight for farmers in Pennsylvania and around the country, and I will continue working alongside the SBA, USDA, and bipartisan colleagues to support our agricultural producers.”

“While the Paycheck Protection Program has been extremely important for small businesses, farmers across the country need expanded access to the program. Over the past decade, there have been serious financial challenges across the agricultural sector, most notably to dairy, as commodity prices have remained low and average farm income decreased by half. More flexibility will put capital into the hands of farmers and ranchers who are ensuring American food security during these challenging times,” said **Rep. Glenn ‘GT’ Thompson**.

Earlier this month, Rep. Ron Kind released his [Family Farm Rescue Plan](#), which focused on five concrete steps that the Administration could take to support family farmers during the COVID-19 pandemic, including ensuring farmers are eligible for all small business relief programs like the PPP. He also called for purchasing excess food supply and delivering to food banks, using Commodity Credit Corporation (CCC) funds to directly support family farms, reopening the Dairy Margin Coverage (DMC) program, and ending the trade war and implementing USMCA. For the past two years, Wisconsin has led the nation in farm [bankruptcies](#) with an average of two dairy farms closing a day and the COVID-19 pandemic is continuing to threaten Wisconsin's already struggling dairy industry.

Read the letter [here](#).