

U.S. Sen. Baldwin: Joins bipartisan group of senators urging USDA to target relief to local farmers in finalized coronavirus food assistance program

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WASHINGTON, D.C. – U.S. Senator Tammy Baldwin joined a bipartisan group of senators, led by Senators Debbie Stabenow (D-MI), Sherrod Brown (D-OH) and Susan Collins (R-ME), in urging the USDA to target COVID-19 relief provisions to reach local farmers in the new Coronavirus Food Assistance Program (CFAP). USDA created CFAP to administer relief Congress provided in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*. While the CARES Act specifically provides direct assistance to local food producers, USDA has not announced specific details on how this relief will be targeted to local farmers. In a [letter](#) to USDA Secretary Sonny Perdue, the senators urged USDA [once again](#) to take steps to reach local farmers with assistance.

“While USDA mentioned that the direct producer assistance program would be made available to producers of all sizes - including local producers, as required by the CARES Act - we are disappointed that there were no specific details on how this assistance will be tailored to the unique challenges that local producers face, or how the Department will conduct outreach to beginning and underserved farmers,” the senators wrote.

The Senators are also specifically urging USDA to support local farmers by:

1. Adjusting the CFAP payment calculations to better reflect the business models of local producers;
2. Amending the covered time period to better reflect when local producers experienced losses; and
3. Developing a robust and inclusive outreach plan to ensure all local food producers – including those with limited internet access and those for whom English is not their first language – are aware of the benefits available to them under the CFAP.

“While we appreciate USDA’s efforts to implement the CFAP with local food producers in mind, we encourage you to incorporate these recommendations as you finalize the CFAP program to ensure local producers are able to participate. By adjusting the mechanism USDA uses to calculate CFAP payments for local food producers, changing the covered time period to reflect those losses experienced after April 15, 2020, and implementing a robust and inclusive outreach plan to reach all local food producers, including new farmers, we can help minimize the significant burden COVID-19 has placed on our local producers,” the senators wrote.

The senators also pressed USDA for information it has yet to provide on how it will conduct outreach to ensure the participation of beginning, underserved, and local food producers in the direct producer assistance program. They urged USDA once again to develop a robust outreach plan that provides technical assistance and ensures local farmers are able to participate in the direct producer assistance program.

Earlier this month, the senators sent an initial letter urging the Trump Administration to provide relief for local farmers who are struggling, and pushed USDA to ensure that a portion of the \$9.5 billion they secured in the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, goes to local farmers who sell directly to consumers, schools, institutions, food hubs, regional distribution centers, retail markets, farmers markets and restaurants. USDA has yet to respond.

In addition to Baldwin, Stabenow, Brown, and Collins the letter was also signed by Senators Patrick Leahy (D-VT), Patty Murray (D-WA), Ron Wyden (D-OR), Jack Reed (D-RI), Bob Menendez (D-NJ), Bernie Sanders (I-VT), Bob Casey (D-PA), Amy Klobuchar (D-MN), Mark Warner (D-VA), Kristen Gillibrand (D-NY), Richard Blumenthal (D-CT), Jeff Merkley (D-OR), Joe Manchin (D-WV), Sheldon Whitehouse (D-RI), Brian Schatz (D-HI), Chris Murphy (D-CT), Mazie Hirono (D-HI), Angus King (I-ME), Tim Kaine (D-VA), Cory Booker (D-NJ), Chris Van Hollen (D-MD), Tammy Duckworth (D-IL) and Tina Smith (D-MN).

A copy of the letter can be read [here](#) and below.

Dear Secretary Perdue,

We write to follow up on our April 9, 2020 letter regarding U.S. Department of Agriculture (USDA) relief for local food producers, and to urge USDA to incorporate provisions specific to local food producers as the Agency finalizes the Coronavirus Food Assistance Program (CFAP). Specifically, we urge USDA to provide support for local food producers by: 1) adjusting the CFAP payment calculations to better reflect the business models of local producers; 2) amending the covered time period to more appropriately reflect when local producers experienced losses; and 3) developing an inclusive outreach plan to ensure all local food producers – including those with limited internet access and those for whom English is not their first language – are aware of the benefits available to them under the CFAP.

On April 17, 2020, USDA announced the new CFAP, which will provide a total of \$19 billion in COVID-19 relief provided by the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, including \$16 billion for direct assistance to producers and \$3 billion for commodity purchases and food distribution. While USDA mentioned that the direct producer assistance program would be made available to producers of all sizes – including local producers, as required by the CARES Act – we are disappointed that there were no specific details on how this assistance will be tailored to the unique challenges that local producers face, or how the Department will conduct outreach to beginning and underserved farmers.

Many local food producers sell a wide variety of crops, specialty crops, and livestock

to a variety of local and regional markets. Often, specific records of sales are generalized into broad categories such as produce or livestock but not broken into specific sales by commodity. For example, these producers may have \$100,000 in produce sales a year but may not be able to distinguish how much of a specific type of produce is sold at a farmers market versus directly to a restaurant or school. This type of commerce makes it extremely difficult for local food producers to participate in a generic “one size fits all” direct assistance program.

Given this complexity, we recommend that USDA calculate payments based on total farm revenue and consider price premiums for diversified producers, organics, and value-added producers. We also recommend implementation of flexible paperwork requirements that allow more producers to participate in the program and account for different types of record keeping that may be used to sell into local markets.

During USDA’s public announcement, it was suggested that the direct producer assistance would cover up to 85 percent of losses incurred between January and April 15, 2020 and cover up to 30 percent of losses incurred after April 15, 2020. Many producers selling directly to restaurants or schools did not see an economic impact of the COVID-19 disaster until states began issuing stay at home orders and closed non-essential businesses. This occurred in most places starting in mid-March and could continue for several months into the future. We recommend USDA adjust the window of 85 percent coverage to reflect the time period during which farmers have experienced – and continue to experience – significant losses and additional costs as a result of widespread closure of businesses and institutions during the COVID-19 disaster.

In addition, USDA has not provided information on how it will conduct outreach to ensure the participation of beginning, underserved, and local food producers in the direct producer assistance program. Some of these producers already face existing barriers to entry including limited access to internet, English as a second language, and limited technical skills. We recommend USDA develop a thorough outreach plan that provides technical assistance and ensures these producers are able to participate in the direct to producer assistance program.

On top of these existing challenges, local food producers are in the middle of high

planting season and many do not have existing relationships with USDA. These producers may struggle to learn a new federal program in time to participate before funding runs out so we request that USDA track farmer program participation and require receipt for service at local Farm Service Agency offices.

While we appreciate USDA's efforts to implement the CFAP with local food producers in mind, we encourage you to incorporate these recommendations as you finalize the CFAP program to ensure local producers are able to participate. By adjusting the mechanism USDA uses to calculate CFAP payments for local food producers, changing the covered time period to reflect those losses experienced after April 15, 2020, and implementing an outreach plan to reach all local food producers, including new farmers, we can help minimize the significant burden COVID-19 has placed on our local producers.

Thank you for quickly implementing the CFAP; we appreciate your attention to the specific needs and serious challenges faced by local food producers and look forward to working with you on additional targeted relief efforts.

Sincerely,

An online version of this release is available [here](#).

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