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Dear Senators and Members of the House of Representatives,

Over the past 50 years, the 52 undersigned family farm, rural community, consumer, faith and other advocacy organizations have vigorously represented the financial and rural development interests of historically underserved and other family farmers and ranchers. These farmers are accustomed to dealing with risks associated with production agriculture, but the COVID-19 pandemic presents risk factors that demand an extraordinary response.

For this reason, the undersigned organization endorse the ***Relief for America's Small Farmers Act*** introduced by Senator Kirsten Gillibrand and Rep. Sean Patrick Maloney. This Act is a critical measure that takes the necessary extra step to ensure that all family farmers have an opportunity to survive the COVID-19 crisis. ***We urge you to be an original cosponsor of this landmark bill and support its inclusion in immediate future COVID-19 legislation.***

Even before the COVID-19 crisis, farmers and ranchers were enduring major disruptions to their domestic and export markets. What is more, thousands of farmers have seen local markets such as schools and restaurants close overnight. Farmers' markets and local food hubs have had to reduce or adapt operations to protect the health of both producers and customers,<sup>i</sup> and we appreciate the support the CARES Act provided to undergird their operations.

However, the profound disruptions COVID-19 in agricultural processing and food distribution channels are intensified as workers, provided disastrously few protections, fall ill. To assure the integrity of the food system and justice, workers must receive protections immediately. And farmers require immediate and fundamental support to develop and finance new food safety, distribution and marketing strategies which will increase market entry and operating costs.

While all farmers are affected by the crisis, small and diverse farmers and ranchers operate on thin margins without sufficient risk management protection. They are most at risk of losing their farms, homes and land from loan default, acceleration and foreclosure due primarily to the financial freefall caused by this pandemic through no fault of their own.

Prior to the pandemic, projected median farm income for 2020 was negative \$1,840<sup>ii</sup> with most farms relying on off-farm sources of income to support household finances and to secure benefits like healthcare coverage. Now, farm households are experiencing the compounding impacts of lost income from both farm and off-farm sources during the COVID crisis. For a half dozen years, farmers and ranchers have consistently received prices below their cost of production, driving historically high levels of farm debt (more than \$415 billion in 2019<sup>iii</sup>) with the loss of more than 38,000 farms since 2016.<sup>iv</sup> Farmers also faced historic flooding throughout the Midwest last year, combined with volatile trade disputes that further degraded prices.

We know first-hand how the intricate details of policy and program implementation have historically imposed harmful economic consequences on family farmers. The **unprecedented** hardships of the COVID -19 pandemic are currently preventing planting, marketing and proper debt servicing and maintenance—three conditions when left unaddressed can lead to loan

default and foreclosure for thousands of this nation's diverse family farmers, including young and veteran farmers. Congress intends for emergency loans and other USDA programs to promote the sustainability and existence of the family farm system of agriculture. The appropriate and measured farm debt forgiveness this Act provides is an important way to effectuate this intent<sup>v</sup>.

**The Relief for America's Small Farmers Act** would sustain the essential economic and social functions of family farms and the hundreds of thousands of main street businesses they support in a manner that does not upset overall farm spending or policy implementation. It instructs the Secretary of Agriculture to forgive farm loan debt in a manner that stabilizes the farm operations of historically disadvantaged and other small farmers and ranchers and allows them to adapt the restructured markets they will have to navigate in the future. Specifically, it

- **Provides immediate direct relief to small farmers to alleviate their crushing debt** with a one-time debt forgiveness of up to \$250,000 on Farm Service Agency Direct Farm Operating Loans, Direct Farm Ownership Loans, and Emergency Loans, including loans in default. It ensures that farmers who receive debt forgiveness or write-downs maintain their eligibility for further USDA Direct and Guaranteed loans.
- **Protects for our most vulnerable farmers.** While farmers of all sizes are struggling, it is our small farmers who are being hit the hardest. Farmers with an average adjusted gross income of \$300,000 or less over the previous 5 years will be eligible for this debt relief, including farmers who have had to sit out farm seasons during that time. The bill provides a one-year window for farmers to apply and farmers must continue to actively farm for at least 2 years after receiving the loan forgiveness.

Small family farmers are the backbone of our food system and rural economies, and fundamental to economic recovery. In the face of this unprecedented emergency we must ensure they have a fair and equitable opportunity to survive while reducing the risk of dramatic disruptions to the integrity of America's food supply for communities across the nation.

***We urge you to cosponsor the Relief for America's Small Farmers Act*** as an essential first step in a series of much needed financial assistance tools for farmers. Quick passage and implementation of this act an expedient way to quickly and effectively support our food system and those who put food on our tables every day.

***Respectfully,***

Signatories to date

*National*

Rural Coalition  
Agricultural Missions, Inc.  
American Sustainable Business Council  
Campaign for Family Farms and the Environment  
Community Food and Justice Coalition  
Farm Aid

Farmer Veteran Coalition  
Federation of Southern Cooperatives/Land Assistance Fund  
Food & Water Action  
Food First  
Grassroots International  
Institute for Agriculture and Trade Policy  
Intertribal Agriculture Council  
National Family Farm Coalition  
National Latino Farmers and Ranchers Trade Association  
National Young Farmers Coalition  
Native Farm Bill Coalition  
North Carolina Association of Black Farmers Land Loss Prevention Program  
People's Action, Chicago, IL  
Rural Advancement Foundation International  
Rural Advancement Fund of the National Sharecroppers Fund  
Rural Development Leadership Network

*Regional, State and Local*

Agroecology Research-Action Collective  
Alabama State Association of Cooperatives  
American Federation of Government Employees, Local 3354  
American Indian Mothers, Inc., Red Springs, NC  
Arkansas Land and Farm Development Corporation  
Arkansas Land and Community Development Corporation  
Black Farmers & Ranchers New Mexico  
CJ Organic Vegetables, Wichita, KS  
C n G Johnson's Farmers Association, Wichita, KS  
Concerned Citizens of Tillery (NC)  
Cottage House, Inc., Ariton, AL  
Data for Progress, New York, NY  
Fair World Project, Portland, OR  
Farm Women United, Laceyville PA  
Farmworker Association of Florida  
Food in Neighborhoods Coalition, Louisville, KY  
Hempstead Project Heart (WI)  
Kansas Black Farmers Association  
Land Stewardship Project (MN)  
Latino Farmers of the Southeast (FL)  
NOFA-VT  
Northeast Organic Farming Association, Mass. Chapter  
Now You Know New Mexico  
Oklahoma Black Historical Research Project  
Operation Spring Plant, Oxford, NC  
PHI Global LLC  
Progressive Agriculture Organization, Meshoppen, PA  
TX Mexico Border Coalition CBO

Winston County Self Help Cooperative, MS  
World Farmers, Lancaster, MA

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<sup>i</sup> Financial impacts to local food systems alone are projected to be at least \$1.02 billion from March to December 2020 due to the short and long-term impacts of COVID-19. <https://sustainableagriculture.net/blog/covid-economic-impact-local-food/>

<sup>ii</sup> USDA. “Highlights from the February 2020 Farm Income Forecast.” Updated February 25, 2020.

<sup>iii</sup> USDA ERS: <https://data.ers.usda.gov/reports.aspx?ID=17835>

<sup>iv</sup> USDA Farms and Land in Farms 2020 Summary; USDA Farms and Land in Farms 2018 Summary

<sup>v</sup> The intent of Congress for the emergency loan program states in relevant part: “*The secretary of agriculture shall conduct the emergency loan program under this subtitle [7 uscs 1961 et seq.] in a manner that will foster and encourage the family farm system of agriculture consistent with the reaffirmation of policy and declaration of the intent of Congress contained in section 102(a) of the Food and Agriculture Act of 1977. [7 uscs 2266(a)]*”