

April 1, 2020

The Honorable Sonny Perdue
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Secretary Perdue:

The COVID-19 pandemic is a serious crisis that is having a negative impact on our country's food system from farm to fork. Social distancing and other response strategies have upended agricultural markets throughout the country, including local and regional markets.

We are pleased that Congress recognized the unique needs and losses suffered by producers selling into local and regional markets, and write today to urge you to ensure that farmers who have lost local and regional markets due to the COVID-19 pandemic receive financial relief, including direct assistance, provided by the U.S. Department of Agriculture (USDA) that is commensurate with their expected losses of over \$1 billion.

Among the businesses facing market disruptions and sales losses as a result of COVID-19 are the farms and ranches that sell through local and regional food outlets such as farmers markets, local restaurants, schools and other institutions, and the food hubs that sell to those outlets. The Congressional Research Service estimated local food sales at \$11.8 billion in 2017¹, with nearly 8% of U.S. farms and ranches (159,000 operations) participating². According to USDA, direct-to-consumer food sales alone in the U.S. totaled \$2.8 billion in 2017³. Whether it's direct to consumer, direct to retail, or direct to institution, or through intermediaries such as food hubs, these marketing channels have created important economic opportunities for farmers and ranchers in every region of the country. Local and regional food markets have served as a point of entry for many young and beginning farmers, and a critically important strategy for established farmers seeking to remain viable and profitable in an ever-changing world.

Unfortunately, farmers who sell products through local and regional markets are suffering significant market losses due to the COVID-19 pandemic. A recent report⁴ estimated a decline in sales of more than \$680 million across key local and regional markets due to COVID-19 from the three months between March and May 2020 alone. Building on that original study, key local and regional food markets are expected to lose more than \$1.02 billion in sales from March to December due to the short and long-term impacts of the pandemic. Many farms are dealing with unexpected expenses just to stay in business, including infrastructure investments related to delivery or sanitation improvements made necessary due to COVID-19.

1 Johnson, R. 2019. 2018 Farm Bill Primer: Support for Local Food Systems. Congressional Research Service IF11252. <https://fas.org/sgp/crs/misc/IE11252.pdf>

2 U.S. Department of Ag, National Ag Statistics Service, 2017 Census of Agriculture.

3 Ibid.

4 Thilmany et al. Mitigating Immediate Harmful Impacts of COVID-19 on Farms and Ranches Selling through Local and Regional Food Markets. https://localfoodeconomics.com/wp-content/uploads/2020/03/2020_03_21_EconomicImpactLocalFood-NSAC-SEH.pdf

As you know, Congress recently passed The Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R.748), which provides \$9.5 billion in support for “agricultural producers impacted by coronavirus, including producers of specialty crops, producers that supply local food systems, including farmers markets, restaurants, and schools, and livestock producers, including dairy producers.” We are pleased that local food producers are specifically included in this relief provision.

As you work through these challenging times to swiftly implement this provision of the CARES Act, we urge you to ensure that farmers and ranchers who have lost local and regional markets due to the pandemic receive financial relief, especially direct assistance, that is commensurate with their expected losses of over \$1 billion.

Sincerely,

American Farmland Trust
American Grassfed Association
American Pastured Poultry Producers Association
Farmers Market Coalition
National Farm to School Network
National Farmers Union
National Sustainable Agriculture Coalition
National Young Farmers Coalition
Organic Trade Association
Renewing the Countryside
Union of Concerned Scientists
Wallace Center at Winrock International