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Governor Wolf Urges USDA Support of Vital Pennsylvania Agriculture Sectors

'Industry and all who rely on its products counting on a plan'

Harrisburg, PA – Governor Tom Wolf today sent a <u>letter</u> to U.S. Department of Agriculture Secretary Sonny Perdue urging him to immediately publish a plan to support agriculture producers, food processors, workers, and local food systems, regardless of size of operation. The \$9.5 billion included in the CARES Act – at Perdue's discretion to distribute across dairy, livestock, specialty crop sectors, horticulture, and restaurants – has the potential to ensure Pennsylvania remains a national leader in agriculture.

"We need Secretary Perdue to publish a plan that includes resources, guidance, and protection for the industry that is working to provide for Pennsylvanians and Americans despite the risk, stress, and uncertainty of our current pandemic," said Wolf. "Pennsylvania's farm families are working hard to sustain life; we need immediate federal action to sustain agriculture because every day, we rely on it.

"In addition to critical financial support, the industry relies on skilled labor to perform essential duties and keep the supply chain strong," added Wolf. "We can't have the fruits of their labor going to waste during a time when so many are experiencing food insecurity as they stay home to save lives.

The full letter is as follows:

As COVID 19 continues to disrupt every aspect of our lives, I write to request your immediate action on behalf of vital agricultural and food industries within Pennsylvania, as well as the many Pennsylvanians who are experiencing food insecurity because they must stay home to save lives.

From the start of my administration's COVID-19 mitigation efforts, I designated agriculture and the entire food supply chain as essential and life-sustaining. As is the case across the country, Pennsylvania's agriculture industry, food processors and

manufacturers, and grocery store workers are among the many heroes working on the frontlines to keep Pennsylvania, the nation, and the world fed, despite great risk, stress, and uncertainty. We must come together as a nation to defeat and recover from this virus. Our recovery and our national security are impossible without the certainty of a safe, secure, and available food supply.

I ask that USDA take swift and decisive action to publicize and implement a plan to immediately and equitably stabilize the agriculture industry, and to support agriculture producers, food processors, workers, and local food systems, regardless of size of operation. This plan must include resources, guidance, and protection for these workers. Every sector of agriculture, food processing, distribution, retail, grocery stores, and farmers markets are negatively impacted by COVID-19 and need support. Specifically, I ask that you provide immediate support in the following ways:

Direct Support through the CARES Act

The \$9.5 billion included in the CARES Act – that is at your discretion to distribute across dairy, livestock, specialty crop sectors, horticulture industries, and restaurants – has the potential to ensure that Pennsylvania remains a nation-leader in agriculture. This funding must be used wisely to mitigate against the disruption to supply chains and markets to help our farmers, producers, and processors, including immediate access to capital for our small businesses, farm families, and agriculture industries. Pennsylvania's recommendations for direct support though the CARES Act include the following:

Livestock, Poultry, and Meat and Food Processing Support:

Pennsylvania is home to many livestock and poultry markets and meat processors, processing beef, poultry, and swine on behalf of Pennsylvania farmers and farmers from many surrounding states. We also have many food processers in all categories that take raw agricultural products and turn them into food or other important products for a safe food supply. These processors need immediate support to help cover expenses above and beyond normal operating costs, so that they can provide critical protections to their workers and modify their operations to continue providing nutrition for the United States and a market for our farmers. Livestock and poultry farmers that have experienced processing disruptions must be immediately reimbursed for lost income and increased mitigation expenses.

Dairy Farmers and Processors:

Pennsylvania and New York jointly petitioned you on behalf of our dairy industries, as dairy is the largest sector of agriculture in Pennsylvania. Our dairy farmers and dairy processors were among the first businesses within agriculture that were most immediately impacted by supply chain disruptions due to COVID-19. Immediate support to dairy is critical and must include direct payments to farmers, loans and support to dairy processors, immediate purchases of dairy products and distribution through the

charitable food system, and risk management options through the Dairy Protection Program. My administration and the Pennsylvania General Assembly have provided bipartisan support to our dairy industry to help weather the past five years of challenges. Pennsylvania cannot afford to lose its dairy farmers or dairy processors, and we need your immediate assistance on behalf of this industry.

Horticulture and the Green Industry:

The horticulture industry, including greenhouses, floriculture, and garden centers, have been especially harmed by the timing of the COVID-19 pandemic. Normally, spring is planting season for homeowners and gardeners, as well as the time that many celebrate religious holidays with beautiful, high-quality flower arrangements grown by small businesses in Pennsylvania. The social distancing and COVID-19 mitigation steps necessary to save lives and protect our healthcare system from being overwhelmed have meant that many businesses in the green and horticulture industries have had to unexpectedly close their physical operations or transition to alternative delivery models just as they were preparing to start the busiest season of the year. The sales made now are critical to sustain their businesses throughout the year. These losses must be immediately covered through USDA assistance, and every support must be provided to small businesses that may not historically have worked with or benefitted from USDA programs.

Specialty Crops:

Immediate purchases of specialty crops, such as mushrooms, fruits, vegetables, and other specialty crops to support the charitable food system and ensure food does not go to waste. These farmers must be compensated for lost crops due to COVID-19 disruptions.

<u>Equitable Support for Lost Markets and Financial and Technical Support for Transition to Alternative Delivery Models:</u>

The necessary shutdown of food service institutions and our general way of life has disrupted many traditional businesses within agriculture outlined above but also those in new or niche markets such hydroponics, aquaponics, small-scale production of specialty food products for restaurants and farmers markets, agritourism, urban agriculture, and other small businesses that support local food systems. It is critical that USDA provide direct support to those agri-businesses and farmers who may not typically receive or seek federal support through USDA but who are critical to local and state economies. It is also imperative that USDA provide support to the end markets for many agri-businesses, including restaurants. Pennsylvania is home to many farm-to-table restaurants and other food service institutions that take pride in procuring high-quality, local, and specialty products from our Pennsylvania farmers. Our farmers also provide these products to neighboring markets in New York, Washington D.C., and the entire U.S. As small and large businesses scramble to react to the ever-changing

marketplace, USDA must provide financial and technical support to help agribusinesses and farmers explore and transition to new delivery models.

Ensuring an Adequate Workforce

In addition to support through funding, we need your support in the way of our workforce. Now more than ever, the labor demands of Pennsylvania agriculture are high. The H2A program provides skilled workers that sustain Pennsylvania's agriculture sector and perform essential duties that keep our supply chain strong. I strongly urge you not to cut adverse effect wage rates for these workers. At a time when many critical infrastructure sectors are voluntarily providing hazard pay in recognition of the heroic sacrifices of front-line employees within the food and agriculture sectors, it is more important than ever to maintain living wages for all workers in agriculture. In addition, at a time of unprecedented unemployment, lowering wages in agriculture will only serve to disadvantage this industry as it looks to hire additional workers and compete with other industries. I am proud of those agriculture and food processing employers in Pennsylvania that have been paying far above the federal minimum wage for years, and many of these are employers who participate in the H2A program. It is unconscionable to consider breaking from a contracted wage rate for workers who are risking their lives to grow and harvest the food every American relies on for survival.

Providing Mental Health Resources

Another way that USDA can support our farm families and agriculture industry workforce is through mental health resources and services. The COVID 19 pandemic has quickly reshaped and disrupted our daily routines, changing nearly every aspect of how Pennsylvanians live. The agriculture community continues to provide unwavering service to this nation, compounding the stress and anxiety in this uncertain time. I ask that funding and resources be available for mental health services for the agricultural and restaurant sectors authorized in the CARES Act, a critical need to support those who are working so hard to support us.

Protecting our Most Vulnerable Citizens

As we look to support our farmers, USDA must provide every possible flexibility within the Supplemental Nutrition Assistance Program (SNAP) to maximize the buying power of SNAP recipients. More people in the nation are experiencing food insecurity than ever before. Improving existing nutrition programs can help to address this issue, while also creating a new market outlet for our farm goods. In order to maximize the buying power of Supplemental Nutrition Assistance Program (SNAP) recipients, USDA must reconsider its interpretation of section 2302 of the Families First Coronavirus Response Act to allow an additional emergency allotment to all households, up to the maximum benefit for their household size. Currently, USDA maintains that households that receive the maximum benefits will not receive any additional SNAP assistance. This means nearly 40 percent of SNAP households and those with the lowest incomes, will not receive any additional assistance despite real need and funding availability.

USDA must use every tool in its toolbox to support our most vulnerable citizens experiencing even more stress due to COVID-19, while helping to balance the food supply chain according to the congressional intent of the Families First Coronavirus Response Act. During a time of national crisis, when our most vulnerable citizens are going without while farmers are forced to dump safe and nutritious products because of supply chain disruptions, it is unconscionable to consider that aid and support be withheld from those most in need when USDA has the authority and ability to help both.

Thank you for your assistance during this pandemic. Our nation's reliance on a strong and vibrant food and agriculture industry has been revealed through this public health emergency; and while we're up to the challenge, the support outlined here is essential to weather this storm.

The Pennsylvania Department of Agriculture and New York Department of Agriculture and Markets also recently submitted a <u>letter</u> to Secretary Perdue urging the USDA to use federal stimulus funds to assist the states' dairy industries affected by COVID-19.

"New York and Pennsylvania remain steadfast in our commitment to protecting our citizens from COVID19 and to supporting our dairy producers and processors, as well as the rest of the food supply chain. We ask that USDA take immediate action to ensure those who are going hungry because they are staying home to save lives can access food that would otherwise be wasted unnecessarily. USDA must make an immediate investment in our dairy industries today to ensure that we have a future food supply. We must come together to rebuild our nation, and our farmers must be supported today so that they can continue to feed us in the years to come," wrote Pennsylvania Secretary Russell Redding and New York Commissioner Richard Ball.

View Governor Wolf's letter as a PDF here or on Scribd.

View the Department of Agriculture's letter as a PDF here or on Scribd.

For a complete list of guidance documents and information as it relates to agriculture during COVID-19 mitigation in Pennsylvania visit agriculture.pa.gov/COVID. For the most accurate, timely information related to Health in Pennsylvania, visit on.pa.gov/coronavirus.