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COMMITTEE ON WAYS AND MEANS

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# Congress of the United States House of Representatives

Washington, DC 20515-2508

March 25, 2020

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The Honorable Sonny Perdue Secretary U.S. Department of Agriculture 1400 Independence Avenue, S.W. Washington, D.C. 20250

I would like to first thank President Trump and the U.S. Department of Agriculture (USDA) for the hard work you all have put in on behalf of America's farmers and producers. Whether its expanding global trade markets or repealing Waters of the U.S. (WOTUS), American farmers know they can count on the Trump Administration.

During this time of great uncertainty, I know that this Administration will take every action necessary to continue prioritization of farmers and producers. With that in mind, please find several policies that I believe will give farmers and producers the relief they need to make it through this difficult stretch.

### Direct Payments to Farmers and Producers

• Farmers and producers need money in their pockets now. The Commodity Credit Corporation (CCC) needs to be replenished and the USDA needs to fully utilize the CCC's resources in order to directly provide disaster assistance to producers across the spectrum.

# Flexibility and Access to Low- and Zero-Interest Loans

- American farmers need flexibility and increased access to government-backed loans.
- Whether it's through the Small Business Administration (SBA) or the Farm Service Agency (FSA), these loans should be low- to zero-interest.
- The loans should be simple to apply for, have generous repayment periods, and have a quick turnaround time from application to receipt.
- The FSA needs to increase its borrowing limit. Whether it's through individual programs or the overall amount, the FSA can give farmers the lifeline they need right now.
- USDA should also issue an advance on farmers' Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) in order to give them the liquidity they need to maintain their operations.
- Disaster assistance programs such as the Livestock Forage Disaster Program (LFP) or the Livestock Indemnity Program (LIP) should be repurposed to provide direct and immediate assistance to producers.
- The repayment period for marketing assistance loans needs to be extended with no interest.
- I also support lenders within the Farm Credit System finding creative ways to assist with producer debt either through restructuring or refinancing.

#### Forest Products

- In Missouri, the forest products industry is an essential aspect of our rural economy.
- Any relief package must include targeted assistance for these hard-working men and women. Our nation's forest products industry cannot be left behind.

## Regulatory Relief

- I applaud the Administration for giving livestock haulers the Hours of Service (HOS) flexibility needed to ensure that the vital links in our supply chain are maintained.
- The Administration must continue seeking ways to provide further flexibility in order to maintain the safe and efficient movement of supplies that are essential to consumers and producers.
- Further, all state and federal resources need to be focused on responding to this epidemic rather than rolling out new regulations.

#### **Broadband Access**

• Finally, funding for USDA's Distance Learning and Telemedicine Program needs to be increased. Our rural communities deserve access to the same information and resources as urban and suburban communities. The rural broadband gap must be closed.

Every available resource must be put on the table in order to help our farmers and producers through this national health emergency. Thank you for your attention to these matters. Please let me know if I can be of any further assistance during this time of crisis.

Sincerely,

Jason Smith

Member of Congress