Congress of the United States Washington, DC 20515

April 6, 2020

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

Dear Secretary Perdue:

We write to thank you for your leadership at the U.S. Department of Agriculture (USDA) to support agricultural producers, including specialty crop producers, who are struggling to keep their operations afloat during the COVID-19 emergency. As you work to implement provisions in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, we respectfully request that you provide direct support to the specialty crop producers across our nation who are facing immediate and substantial financial challenges. Such relief will not only assist producers who are struggling to make ends meet during this unprecedented time but also help ensure our most vulnerable communities continue to have access to fresh produce.

As you know, the CARES Act includes \$14 billion for the replenishment of the Commodity Credit Corporation and an additional \$9.5 billion for agricultural producers impacted by COVID-19, including specialty crop producers, producers that supply local food systems, and livestock producers. We are very pleased that specialty crop producers have been specifically included in this relief package. These producers are experiencing significant losses, with more losses expected in the coming days, weeks, and potentially months. Now, as you make decisions regarding how best to allocate CARES Act funding, we request that you reserve funding to develop and execute a recovery and relief plan for the specialty crop industry. We ask that this plan include three key components, outlined below.

 Fresh Produce Purchases: We ask that this plan include funding and guidance for USDA purchases of fresh fruits and vegetables, including purchases for federal nutrition programs. We are aware that USDA is working with schools across the country to ensure the continuity of school meal service during school closures. Nevertheless, large volumes of product previously contracted to schools are being left unsold. We ask that USDA take over these contracts in the short-term to provide much-needed certainty to specialty crop producers and children who rely on school meals. With a steep decline in purchases in the food service sector, we also ask USDA to swiftly develop a purchase program, in addition to the existing purchase programs, that would quickly provide stability to all impacted fresh produce growers through the duration of the COVID-19 public health emergency.

- 2. **Direct Payments to Specialty Crop Producers:** We request USDA provide direct payments to specialty crop producers impacted by lost sales or other financial losses due to the COVID-19 emergency. In 2019, USDA provided direct payments through the Market Facilitation Program to farmers impacted by market losses due to trade volatility. Today, specialty crop producers who rely on the food service industry are experiencing similar challenges with respect to lost markets. Any USDA effort to provide direct payments to farmers as part of its pandemic relief programming should therefore include the fruit and vegetable sector.
- 3. **Perishable Agricultural Commodities Act:** We request that USDA's plan consider the reality that, throughout this pandemic, growers and shippers may struggle to meet contractual obligations under the Perishable Agricultural Commodities Act (PACA). We ask that USDA provide assistance and flexibility in light of the unprecedented consequences of COVID-19.

As this global crisis continues to evolve, we recognize that additional programs and flexibilities may need to be considered and implemented to keep fresh produce moving through the food supply chain. We hope that you will use all resources at USDA's discretion, including funding from the CARES Act and carryover funding from the previous fiscal year, to address the immediate needs of the specialty crop industry.

Thank you once again for your stalwart commitment to our nation's fresh produce farmers. We appreciate your attention to their needs and are happy to answer any questions you may have.

Sincerely,

Jimmy Panetta Member of Congress

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