

United States Senate
Washington, D.C. 20510

April 13, 2020

The Honorable Sonny Perdue
Secretary
United States Department of Agriculture
1400 Independence Avenue, SW
Washington, D.C. 20250

Dear Secretary Perdue:

As Colorado struggles with the COVID-19 pandemic, our farmers and ranchers are working to secure a safe, consistent food supply for our nation. The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided billions of dollars to assist producers who are now navigating shifting supply chains and volatile market conditions. As the United States Department of Agriculture (USDA) begins to implement the CARES Act, we urge you to fully consider the challenges facing Colorado's farmers, ranchers, and rural communities.

Colorado agriculture generates more than \$40 billion in economic activity, providing over 170,000 jobs and supplying local, regional, and international markets. However, the COVID-19 pandemic is creating new challenges and injecting even more uncertainty in markets battered by years of trade wars and extreme weather. The CARES Act provided \$9.5 billion to assist agricultural producers affected by the pandemic and another \$14 billion to replenish USDA's Commodity Credit Corporation (CCC). As you determine how to allocate these resources, we request that you consider the following:

- Include Livestock Producers: Colorado's ranching and livestock operations are a proud part of our heritage and economy. Producers raising cattle, sheep, and hogs are now dealing with extreme market volatility and long-term uncertainty. They should be included in any relief package for targeted, temporary assistance to mitigate damages they're facing as a result of the pandemic, while minimizing market distortions.
- Focus on Small and Medium Size Producers: The CARES Act explicitly included assistance for producers that sell to farmers markets, restaurants, and schools. In Colorado, these producers are often small and medium sized, and are integral part of our economy. Some now face cash-flow challenges as a result of lost markets or food supply contracts, and they are exploring new options to sell their product. The USDA should prioritize outreach and assistance to these local, small and medium sized producers to mitigate their current and expected losses.
- Assist Dairy Farmers: For the past few years, low prices and trade disruptions have left many Colorado dairies in precarious financial situations. COVID-19 has further suppressed demand for certain dairy products, limiting restaurant orders and food service

purchases. However, dairy farmers often don't have the option to scale back production quickly. The USDA should consider how to use these funds to mitigate price fluctuations, while improving food security and limiting waste in the supply chain.

- Address Fruit and Vegetable Losses: Colorado's climate and high elevation contribute to a thriving specialty crop sector that accounts for nearly \$485 million of the state's agriculture revenue. While our producers are trying to adapt to the COVID-19 pandemic, logistical barriers make it difficult to do so quickly and at scale. The USDA should consider direct assistance to cover lost revenues and added costs, while exploring ways to help producers find markets and purchasers in an effort to minimize food waste.
- Prioritize Outreach and Accessibility: The USDA should emphasize accessibility and flexibility while distributing CARES Act funding. Further, we encourage you to engage in strategic outreach to producers of all sizes, particularly historically disadvantaged and those most at risk of severe financial hardship to ensure equitable access to any disaster relief fund.

In addition to the disaster funding, the CARES Act provided \$14 billion to replenish the CCC, which funds various Farm Bill safety net and conservation programs. As you begin to evaluate how to distribute these additional CCC funds, we encourage you to consider how investments in conservation could provide multiple benefits, helping farmers and ranchers weather hard times and enhancing long-term productivity of our working lands.

The CARES Act is a start for agriculture, but work still remains to support Colorado's farmers and ranchers as the COVID-19 pandemic continues. Our farmers and ranchers continue to face challenges accessing Small Business Administration programs, finding labor, stabilizing supply chains, and keeping themselves and their workers healthy. We look forward to working with you on these challenges ahead to maintain a vibrant agricultural economy in Colorado.

Sincerely,

/s/ Michael F. Bennet
United States Senator

/s/ Cory Gardner
United States Senator