

CONGRESSIONAL UPDATE

FROM THE OFFICE OF REP. ALMA S. ADAMS, PH.D.

FAMILIES FIRST CORONAVIRUS ACT

Agriculture Provisions

- **WIC:** \$500 million for the Special Supplemental Nutrition Program for Women Infants and Children (WIC) to provide access to nutritious foods to low-income pregnant women or mothers with young children who lose their jobs or are laid off due to the COVID-19 emergency.
- **Food Banks:** \$400 million to assist local food banks to meet increased demand for low-income Americans during the emergency.
- **Supplemental Food Benefits:** Allows the USDA to provide emergency Supplemental Nutrition Assistance Program (SNAP) assistance to households with children who would otherwise receive free or reduced-price meals if not for their schools being closed due to the COVID-19 emergency.
- **Food Assistance for U.S. Territories:** \$100 million for nutrition assistance grants to Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands.

CARES ACT

Agriculture Provisions

- **Direct Payments to Farmers:** \$9.5 billion to assist specialty crop producers; producers who support local food systems such as farmers markets, schools, and restaurants; and livestock producers, including dairy.
 - This provision of the CARES Act, along with \$6.5 billion in Credit Commodity Corporation (CCC) funding, and \$3 billion from the Families First Act, were used by USDA to create the ongoing **Coronavirus Food Assistance Program (CFAP)**. Farmers and ranchers can apply for CFAP direct payments through September 11: <https://www.farmers.gov/cfap/apply>
- **Nutrition:** \$25.1 billion in nutrition assistance, including \$15.5 billion of additional funding for SNAP and \$8.8 billion for Child Nutrition programs to address the projected impact of the coronavirus pandemic.
- **Rural Development:** \$48.9 billion in support for rural communities including Broadband expansion, and Distance Learning and Telecommunications activities.

CARES ACT (CONT.)

Small Business Provisions

- **Economic Injury Disaster Loan (EIDL):** Small businesses, including agricultural businesses, and non-profits can apply for an EIDL for economic relief if they are experiencing a loss of revenue due to COVID-19. EIDL proceeds can be used to cover a wide range of financial obligations and operating expenses. These loans are not forgivable.
 - All EIDL Advance funding has all been distributed, but the EIDL program is still open for loan applications. The online application is available here: <https://covid19relief.sba.gov/#/>
- **Paycheck Protection Program (PPP):** The CARES Act provided \$349 billion in forgivable loans to small businesses during the COVID-19 crisis. Through August 8, 2020, growers with less than 500 employees and 2019 net income greater than zero could apply through any existing SBA lender or federally insured credit union which was participating.
 - About \$130 million in PPP funds were unused and may be available if PPP is extended. The Heroes Act extends the PPP through December 31 and makes improvements to make it easier to use.

HEROES ACT

Agriculture Provisions

Livestock:

- Establishes a Livestock Dealer Trust to ensure that livestock producers making cash transactions are paid for their animals.
- Provides emergency assistance to producers of depopulated market-ready livestock.
- Creates a \$300 million Farm Bill Animal Disease Prevention and Management Fund.

Dairy:

- \$500 million for an Emergency Dairy Donation Program
- Provides necessary cash flow assistance to small- and mid-sized dairies that have grown over the last seven years by updating the basis of Supplemental Margin Coverage.
- \$500 million for USDA to carry out a recourse loan program to make purchases of dairy products.
- Supports Dairy Margin Coverage as an effective risk management tool, reducing the cost of DMC premiums for operations that commit to participating in the program for 2021-2023 by providing a payment worth 15% of annual premium costs.

HEROES ACT (CONT.)

Specialty Crops and Other Commodities:

- \$100 million to address COVID-19 specialty crop supply chain issues.
- \$50 million to support local farmers, farmers markets, and other local food outlets who are impacted by COVID-19.
- \$50 million to the farm bill's Farming Opportunities Training & Outreach grants to support groups providing beginning farmers and ranchers with financial, operational, and marketing advice.
- \$28 million in Block Grants to States for existing farm stress programs.
- \$16.5 billion for direct payments to agricultural producers whose commodities were impacted by market disruptions due to the COVID-19 emergency.

Conservation:

- Expands the Conservation Reserve Program Soil Health Incentive Pilot Program by giving producers an option for a 3-year contract.

Nutrition:

- \$25 million for the Farm to Food Bank program and improvements for these additional funds.
- Additional waiver flexibilities for nutrition programs.
- Increases the SNAP benefit level by 15% through September 30, 2021; increases the minimum SNAP benefit; waives all work requirements for SNAP for 2 years; and provides additional funding of \$150 million for states to meet the increased need for SNAP.

HEROES ACT (CONT.)

Small Business Provisions

- Extends the covered period for the Paycheck Protection Program (PPP) from June 30 to December 31.
- Adds flexibility in the covered period for borrowers by extending the 8-week period to 24 weeks.
- Extends eligibility to all nonprofits of all sizes.
- Establishes a minimum maturity on PPP loans of 5 years to enable borrowers to pay-off their loans over a longer period of time, which lowers monthly payments.
- Carves out of 25% of the existing funds on the date of enactment to be used specifically for small businesses with 10 or fewer employees to guarantee they are fully able to access PPP assistance.
- Alleviates burdens to borrowers deemed ineligible due to prior criminal history.
- Boosts the SBA microloan program with an additional \$72 million in loans, increase how much each lender can loan from \$6 million to \$10 million, and give borrowers an extra two years to repay.

LOCAL AND REGIONAL FARMER AND MARKET SUPPORT ACT

2020 PANDEMIC RESPONSE LEGISLATION

H.R.8096, the Local and Regional Farmer and Market Support Act (Local Farmer Act) will:

- **Create an alternative coronavirus relief payment program for farmers** that sell in local and regional markets based on their historic revenue, rather than price loss;
- **Provide emergency response grants for farmers markets and local food enterprises** to implement public health protections and coronavirus-smart marketing practices;
- **Provide emergency response grants to direct marketing farmers** to help them respond to shifting markets and adopt new socially distant practices and sales models;
- **Support equity and ensure access to these grants and relief payments** by prioritizing assistance to BIPOC farmers and minority-owned farmers markets and local-food enterprises; and
- **Provide robust outreach and technical assistance** to support access for BIPOC farmers and ranchers.

Supported by: Carolina Farm Stewardship Association, the Federation of Southern Cooperatives/Land Assistance Fund, the National Sustainable Agriculture Coalition, and North Carolina Department of Agriculture & Consumer Services

FURTHER RESOURCES

Application Links

Economic Injury Disaster Loan (EIDL) Application: <https://covid19relief.sba.gov/#/>

Coronavirus Food Assistance Program (CFAP) Application: <https://www.farmers.gov/cfap/apply>

Policy Information

Office of Congresswoman Adams: 202-225-1510 or Katherine.Stewart@mail.house.gov

Local Farmer Act: <https://adams.house.gov/media-center/press-releases/rep-adams-introduces-local-and-regional-farmer-and-market-support-act>

Heroes Act: <https://agriculture.house.gov/covid19/heroesactagricultureprovisions.htm>

Paycheck Protection Program (PPP) in the Heroes Act: https://smallbusiness.house.gov/uploadedfiles/heroes_act_section_summary.pdf

CFAP Additional Details: https://agriculture.house.gov/uploadedfiles/cfap_summary_6_16_2020.pdf