

AAM Rural America Corona Relief Plan April 23, 2020

As the devastating impact continues to hit Rural America, Congress and the Administration must devise a plan to help stabilize farms and ranches as well as our Rural Communities. Congress and the Administration have stepped forward with rescue packages for businesses and major corporations such as airlines as well as upcoming relief from USDA. All the help that can be given is needed to prevent a huge loss in farms and ranches as well as local businesses that supply them. USDA is moving forward with a \$19 Billion COVID-19 relief package to get dollars into producers' hands. Problem will be in the details, \$3 Billion is going to be used to buy meat, produce and dairy products. This program will buy beef, pork, produce to be delivered to Food Banks. These Food Banks need the food because of the escalating demand from hungry families, but buying boxed beef and pork, store shelves are empty and the price for those products are sky high. Who does that help, the Packers not the producers whose market prices are falling from slaughter plant closing, thus leaving no market for cattle and hogs? USDA's plan is to issue contracts for companies to fill boxes of food to ship to the Food Banks. It will be interesting to see how much of the money is used to pay the companies to fill and ship the boxes compared to what it would cost to start paying the farmers and start shipping from producers to the Food Hubs and Food Banks **directly**.

Also, in USDA's CORONA-19 assistance is \$16 Billion to be sent to producers. Cattle and Hog producers should get a per-head payment for their market losses but nothing is spelled out yet. The big corporate producers like Smithfield should not be eligible for payments as well as the big corporate integrators. All payments made should go to family producers. Left out of the plan is supply management for any commodity. I see the hand of the agricultural fertilizer, chemical and seed companies' in this because they want full production and the price does not matter if they get their money. USDA should be using dollars to buy acres out of production and require a cover crop be put on those acres because supply management is the only way out of these low prices.

I know we need airlines and the last I heard was they are going to receive \$50 Billion so they can survive, that's good because it's lots of jobs and some of us need to fly places once in a while. However, the last time I checked every single American needs food everyday to survive, so what is the most important industry in the US, Producing Food and Fiber. The following is AAM's CORONA relief plan for Rural America,

1. **All** Farm and Ranch foreclosures should be stopped immediately, and mandatory restructuring of their debt should be required. There should be no interest charged during this time of National Emergency.
2. Commodity loan rates should be raised, and producers should be allowed to enter their crops into the loan program for up to 3 years. This is needed to give time for markets to adjust and give producers some needed lift to the market price for next year's crops.
3. USDA should be offering a per acre fee to idle acres on a voluntary basis for this year's crops.

4. USDA should be buying large amounts of cheese, some of which could go for immediate distribution to food pantry's, but large amounts could go into the caves at Kansas City to be stored and used later where USDA can store millions of pounds.
5. Rural Hospitals are in the state of collapse in many areas so immediate help is needed. These Hospitals should have their debt frozen with no interest and no payments for the balance of the year. They should also receive needed financial aid to provide service to their communities.
6. Our Rural towns are in desperate need of help to pay workers to keep basic services, water, sewer, EMS and firefighters operating for the citizens, so when Congress puts together a package for states and cities, our rural towns need to be included.

It seems that some farm and commodity organizations cannot say the word 'PRICE'. A fair price is the only long-term solution for producers. USDA and Congress cannot just send out checks and make this problem go away, this is going to take some policy changes and a rescue package.

This is not a time to be quiet, stand up and be heard because the future for our next generation of family producers is at stake.

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