



305 Roselawn Ave E ▪ Suite 200 ▪ St. Paul, MN 55117
Phone: (651) 639-1223 ▪ www.mfu.org

April 1, 2020

Dear members of the Minnesota Congressional delegation:

On behalf of Minnesota Farmers Union (MFU), I urge you to take immediate and decisive action to provide urgently needed economic relief to farm families, better secure our food system, and protect the economic future of our rural communities. Toward that end, I ask that you work to place an immediate moratorium on farm foreclosures, take all actions within your power to improve farmers' access to affordable credit, and strengthening the farm safety-net.

MFU is a grassroots organization that has represented Minnesota's family farmers, ranchers, and rural communities since 1918. On behalf of our membership across the state, I want to thank you for your swift, substantial, and bipartisan response to this pandemic. And for the meaningful resources you made available to as part of the Coronavirus Aid, Relief and Economic Security (CARES) Act was signed into law on Friday, March 27. These needed investments will go a long way toward helping farmers and ensuring that Minnesotans continue to have access to a safe, affordable, and secure food supply.

That said, while farmers are stepping up and continuing their work in the face of COVID-19, they are also facing a host of challenges, not all of which are new. Farmers of all types are being hit by the economic fallout brought on by this virus: conventional corn and soybean farmers are up against depressed global markets and reduced demand for corn ethanol; beef producers have been hit by plummeting prices, even while wholesale beef prices go up; dairy farmers are expecting a market blow due to decreased demand from schools and other institutions while bracing for labor and supply chain disruptions; niche producers who sell to restaurants and schools have lost their markets due to mandatory closures; and fruit and vegetable growers are facing predicted labor shortages. These challenges are compounded by new nervousness on the part of many creditors.

Not only that, but this crisis comes on the heels of the challenges farmers were already grappling with, including a costly trade war, unpredictable weather events, and record-low farm incomes propped up only in part by federal trade mitigation, the future of which is uncertain. These real challenges, coupled with the critical nature of our food system and agriculture economy, make it imperative that you take action to give farmers urgent and needed financial relief. Toward that end, we ask that you:

- **Place a moratorium on farm foreclosures:** In the 1980's farm crisis, Minnesota led the way by placing a moratorium on farm foreclosures, which gave way to a federal suspension of foreclosures. Given the state of the agriculture economy before the pandemic, and the new challenges this crisis has presented for farmers, it is clear that a moratorium is again needed in order to give many farm families a fighting chance and preserve the economic future of their rural communities.

- **Improve access to affordable credit:** This will remain a significant challenge for many producers, particularly those who were already on the edge. We ask that you work with lenders and consider all actions that could help ease pressure from lenders and make sure that farmers can access the financing they need to make it through this unprecedented challenge.

As part of this, I ask that—as small businesses—all family farms who have been affected by the fallout of this virus be made eligible for emergency loans made available as a response to the pandemic, including from the Small Business Administration (SBA).

- **Strengthening the farm safety-net:** Finally, as we work to address this immediate crisis, we also need to make sure we are preparing farm families to weather the long-term economic fallout of this global pandemic. This is critical for not only the economic future of our rural communities, but also the security of our food system.

In the near-term, I ask that you strengthen and reopen signup for the Dairy Margin Coverage program, so that dairy producers have the opportunity to reconsider taking advantage of this program given the drastically changed market outlook. In addition, and given the significant blow this crisis has dealt to ag markets, I urge you to consider additional direct assistance to farmers across producers types. The future of many family farms may depend on it.

- **Defend competition in the ag economy:** Finally, and because the economic well-being of family farmers largely depends on the prices they are able to get for what they produce, we ask that you do everything you can to safeguard competition in the ag economy. Beef prices have plummeted in recent weeks, which stands in stark contrast to what consumers are asked to pay for beef products on the shelves. Similarly for dairy—while the prices paid to farmers are down and futures look bleak, retail stores are selling out of product.

This pandemic has sent shockwaves through the ag economy, but we cannot let that translate into price-fixing and farmers not earning a fair return for their work. Now more than ever, farmers simply cannot afford that.

We have extended similar asks to Governor Walz and legislative leaders in Minnesota and understand that—as with all aspects of response to this pandemic—it is important that leaders work together across all levels of government.

Thank you for your continued work to address COVID-19, including and importantly by investing in our rural healthcare system, safeguarding our nation's food supply, and providing additional relief to farmers as part of the CARES Act. And we appreciate your attention to these additional requests. If you have any questions, please contact me (information below) or our Government Relations Director, Stu Lourey, at stu@mfu.org or (320) 232-2047 (C). I look forward to working with you on these and other issues that will help family farmers and rural communities remain resilient in the face of these challenges.

Sincerely,

A handwritten signature in black ink that reads "Gary Wertish". The signature is written in a cursive, slightly slanted style.

Gary Wertish
President, Minnesota Farmers Union
(651) 262-7128 (C) ▪ gary@mfu.org

CC: Senator Amy Klobuchar
Senator Tina Smith
Chair Collin Peterson
Representative Betty McCollum
Representative Tom Emmer
Representative Angie Craig
Representative Dean Phillips
Representative Ilhan Omar
Representative Jim Hagedorn
Representative Pete Stauber