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March 31, 2020

Governor Tim Walz & Lt. Gov. Peggy Flanagan
75 Rev. Dr. Martin Luther King Jr. Blvd. #130
St. Paul, MN 55155

Attorney General Keith Ellison
445 Minnesota Street, Suite 1400
St. Paul, MN 55101-2131

Majority Leader Paul Gazelka
95 University Ave. W.
St. Paul, MN 55155

Speaker Melissa Hortman
463 State Office Building
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Minority Leader Susan Kent
95 University Ave. W.
St. Paul, MN 55155

Minority Leader Kurt Daudt
267 State Office Building
St. Paul, MN 55155

Dear Governor Walz, Lt. Governor Flanagan, Attorney General Ellison, and legislative leaders:

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, we ask that you extend the 90-day deadline for farmers who are undergoing mediation, place an immediate moratorium on farm foreclosures, and take all actions within your power to improve access to affordable credit.

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 both your swift, decisive, and data-driven response to this pandemic and for your recognition that our state's farmers provide a critical service in making sure 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:

- **Extend the deadline for farmer-lender mediations:** This is both warranted and sorely needed due to the added level of financial stress farmers are dealing with as a result of the pandemic. Not only that, but mediations—even in the best of circumstances—are inherently high-stress, often emotional, and best done through face-to-face meetings that are currently untenable due to the ‘Stay at Home’ order and concerns over public health.

Extending the deadline would both give farmers and lenders more time to reach a mutually beneficial plan for managing debt and allow them to resume this work when they are able to do so in-person.

- **Place a moratorium on farm foreclosures:** In the 1980’s farm crisis, Minnesota led the way by placing a moratorium on farm foreclosures, which preceded a federal suspension of farm 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 Minnesota’s leadership 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:** First, thank you for making adjustments to the Rural Finance Authority (RFA) that will allow the board to extend Disaster Recovery Loans to farmers who have been hit hard by COVID-19. This change that was included in the most recent COVID-19 relief package ([HF4531](#); [SF4451](#)) will make a real difference for many farm families.

That said, access to affordable, low-interest credit 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 legislative and administrative 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.

Thank you for your continued work to address COVID-19 and protect the health and economic future of all Minnesotans, including farmers. 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). Thank you for considering the needs and perspectives of Minnesota’s farm families.

Sincerely,



Gary Wertish
President, Minnesota Farmers Union
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CC: Commissioner Thom Peterson, MN Department of Agriculture
Chair Torrey Westrom, Senate Agriculture, Rural Development, and Housing Finance Committee
Chair Bill Weber, Senate Agriculture, Rural Development, and Housing Policy Committee
Chair Jeanne Poppe, House Agriculture and Food Finance & Policy Committee