

April 14, 2020

The Honorable Sonny Perdue Secretary U.S. Department of Agriculture 1400 Independence Avenue, S.W. Washington, D.C. 20250

## Dear Secretary Perdue:

We applaud your ongoing efforts to assist rural America during these unprecedented times. Your team has provided a high level of customer service throughout the COVID-19 pandemic, and we appreciate their attention to agricultural concerns that span multiple federal agencies. We write to share experiences of soybean growers to date and request your assistance for soybean growers as you develop an agricultural assistance package.

Soybean growers were encouraged by the signing of a Phase I agreement with China in January and held cautious optimism that 2020 would be a better year in terms of agricultural exports and production than the challenging experiences of 2019. Instead of price recovery, however, continued price declines due to COVID-19 have followed an already difficult soybean market price situation due to China tariffs.

In the past two years, we have appreciated you responding to tariff-related challenges with the Market Facilitation Program and investments into agricultural trade promotion. As you craft an agricultural assistance package for 2020, we are supportive of a soybean-specific assistance payment based on the lack of price recovery due to China tariffs and the COVID-19 price effect.

ASA recently engaged our growers with a COVID-specific survey to better understand concerns and needs. Approximately 95% of respondents either do not believe or are unsure if the CARES Act offers adequate relief to agriculture. A majority also indicated that assistance from USDA is needed in the near term. We urge you to help our soybean growers experience relief with an assistance package.

In addition to making resources available through USDA, the CARES Act provided resources through other agencies, such as the Small Business Administration (SBA). Many soybean growers have shown interest in accessing the SBA's Paycheck Protection Program but have found the rules for borrowers to be unclear and not inclusive of farm employment costs such as H-2A. There has been great interest also in the SBA's Economic Injury Disaster Loan Program,

The Honorable Sonny Perdue Page Two April 14, 2020

for which farms are unfortunately ineligible. While we know this is outside of USDA's portfolio, we welcome your engagement with the administering agency.

Farming is a capital-intensive business, requiring significant investments of land, equipment, inputs, labor, and risk management. Agricultural production is simply not possible without access to capital. We ask your continued review of credit program authority, including a robust FSA farm loan program to ensure USDA remains responsive to needs of producers.

Access to broadband is also important to soybean growers. Eighty-five percent of survey respondents noted the need for improved broadband in rural America. This is especially pronounced during the COVID-19 pandemic with soybean growers' business needs competing with household educational needs for Internet service.

A high level of stress and anxiety is being felt by soybean growers as spring planting season begins, which will come as no surprise. Like other Americans, they are concerned about health and safety of their employees, families, and themselves as small businessmen and women. As growers experience reduced hours and availability of local businesses, they have conveyed concerns about their own workforce choosing not to show up for work out of fear.

Thank you for your consideration of our request for an assistance package for soybean growers and for your ongoing efforts to address regulatory hurdles and other needs in agriculture. We have appreciated your team's responsiveness on a variety of issues to date – including workforce issues, input supply movement, and broadband availability – and have no doubt that we will continue to reach out with questions and concerns as this pandemic continues.

We appreciate your dedication to American agriculture.

Sincerely,

Bill Gordon President