

Congress of the United States
Washington, DC 20510

May 24, 2021

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, D.C. 20250

Dear Secretary Vilsack,

The coronavirus pandemic has had substantial impacts on farm and food businesses across the nation, from farms and ranches to food hubs and processing facilities. Some businesses saw their markets disappear overnight, requiring a rapid course shift to reach new customers, while others saw demand skyrocket beyond existing capacity. The pandemic has underscored the need to better equip these businesses – especially those serving local and regional markets – with the tools needed to capitalize on new opportunities, create jobs, and achieve a more resilient food system.

Given this critical need, we are writing to urge the U.S. Department of Agriculture (USDA) to allocate at least \$300 million from within existing pandemic response authorities, including stimulus funding enacted in the Consolidated Appropriations Act, 2021, and the American Rescue Plan Act, to dramatically increase one-on-one business technical assistance targeting small and mid-sized farm and food businesses. This type of investment in the future has a proven track record of improving regional supply chain resiliency. It will also translate into new capital and opportunities, particularly for communities that the Biden administration has identified as underserved, including socially disadvantaged populations and low-income rural areas.

Farmers and ranchers are entrepreneurs, not just agricultural producers. This past year has demonstrated that improved business skills and financial literacy are essential to enabling these businesses to survive unforeseen market disruptions. Many small and mid-sized operations did not have the adequate financial recordkeeping needed to access coronavirus relief through federal opportunities. Providing customized support in the form of one-to-one technical assistance – for financial literacy, business planning, market development, succession planning, and accessing land and capital – will help create new jobs and increase sustainability for both the current and next generation. One state program found that two years of tailored, in-depth business planning support generated on average a 62 percent increase in net income for farm and food businesses, and helped businesses gain jobs at a rate three times that of the sector on average.¹ This is just one example of what can be achieved nationally.

¹ 2017 VT Farm & Forest Viability Program Annual Report to the Legislature, Vermont Housing & Conservation Board, January 2018

We are encouraged by your announcement on March 24 that the USDA will dedicate at least \$6 billion in discretionary funding previously enacted by Congress for a new Pandemic Assistance for Producers initiative to support producers who were underserved by the previous administration's relief measures. Through the American Rescue Plan Act, Congress provided an additional \$3.6 billion in funding to improve supply chain resiliency and help producers as well as small and midsized processors respond to the pandemic. Dedicating a portion of these funds to one-on-one business technical assistance is critical to meeting these goals. Currently, support for this assistance is being provided on a piecemeal basis across the country by public and NGO service providers who rely on inconsistent government and philanthropic funding sources. While the recent supplemental funding for USDA's Local Agriculture Market Program (LAMP) and Farming Opportunities Training and Outreach (FOTO) represent critical investments in small and midsized farm and food businesses, these programs have a wide range of uses and are not specifically designed to support in-depth and sustained business technical assistance. In fact, a dedicated investment in business technical assistance will help ensure the impact and longevity of these LAMP and FOTO investments. Therefore, we urge the USDA to dedicate at least \$300 million for business technical assistance, delivered in the form of multi-year grants to public and NGO agricultural service providers with a history of providing this type of assistance and a track record of increasing business skills, profitability, and access to land and capital.

Thank you for your continued support of the nation's agriculture producers. We know you share our concern about future viability and sustainability within the industry. We are grateful for the work you and the Department have done to support farms, ranches, and other food businesses as the pandemic continues, and look forward to working with you to advance support for these businesses.

Sincerely,



Patrick Leahy
United States Senator



Antonio Delgado
Member of Congress



Cory A. Booker
United States Senator



Chellie Pingree
Member of Congress



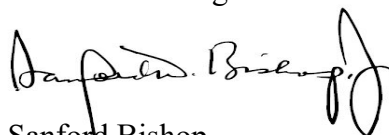
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United States Senator



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United States Senator

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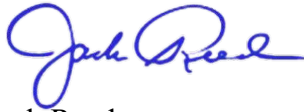
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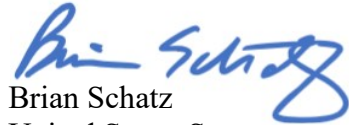
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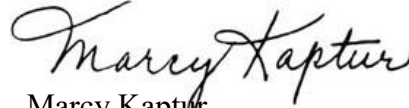
Christopher Van Hollen
United States Senator



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United States Senator



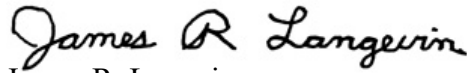
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Sean Patrick Maloney
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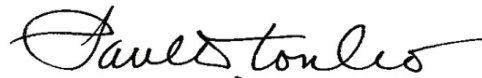
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