

# COVID-19 Action Items

## Agriculture continues to be impacted by COVID-19



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### IMPACT OF COVID-19

In the face of unprecedented challenges and shifts across the supply chain due to the COVID-19 pandemic, New York's farmers and farm employees have worked tirelessly to produce a safe and sustainable food supply for the state and nation. Farmers did not do this work alone, and essential workers across the supply chain, including employees on the farm, in meat-packing plants, in the transportation industry, and at the local grocery store all play critical roles.

### **Assistance to Farmers and Farm Economy**

U.S. agriculture was already facing a poor economy for the seventh straight year when the global pandemic hit. In addition to the economic impact of COVID-19 and prolonged trade disputes, frequent natural disasters have caused damage to both crops and livestock and made it difficult for farmers to plant and harvest crops.

Cash receipts from the sales of crops and livestock are projected to be the lowest in more than 10 years. Despite farm support in response to COVID-19, natural disasters and retaliatory tariffs, U.S. farm bankruptcies continued to increase at a rate of 8% over most of 2020. Farm sector debt is projected to increase to a record \$434 billion this year. Current working capital levels have declined sharply in recent years and now stand 55% lower than a decade ago.

- **CFAP:** The assistance that farmers have received through the Coronavirus Food Assistance Program (CFAP) has provided much needed assistance for farmers during this challenging time. NYFB supports additional assistance, as needed, for farmers impacted by the pandemic and support efforts by Congress and USDA to address the distribution of funds.
- **Paycheck Protection Program:** Farmers have utilized programs like the Paycheck Protection Program (PPP) to help with business expenses and decreased revenue caused by the COVID-19 pandemic. The recently enacted COVID-19 resource and relief package included several improvements to a second round of PPP. These include new qualifying expenses, using gross farm income to determine loan amounts and reducing the level of required losses to qualify. It is important for SBA to provide clarity and guidance, so farmers are able to fully access the program.

### **Food Security and Supply Chain**

The pandemic has shined a spotlight on agriculture and the importance of protecting our American-grown food supply. What that means in terms of permanent changes to the food supply chain requires thoughtful analysis. There is no question, however, that protecting the domestic food supply is critical to the well-being of all New Yorkers, from our urban centers to our rural townships. While there were temporary disruptions and limitations in certain products, the overall food supply remained secure. These disruptions, long lines at food banks, and backlogs in processing were frustrating to consumers and farmers alike. No farmer wants to see waste, especially when there is great need.

- **Food Purchasing and Distribution:** NYFB supports a variety of distribution channels to get food from farms to those in need in New York and across the country. It is important that local food procurement be prioritized when purchases are made. In addition, NYFB supports expanding SNAP benefits to assist families in need.
- **Action:**
  - *Provide support to small meat and poultry processing plants to attain federal inspection.*
  - *Secure adequate federal support to maintain food production.*

### **Farm Employees**

Across the food chain, there was an enormous undertaking to keep farm and processing plant employees safe during the pandemic. Farms across New York worked to institute a range of safety measures, from providing PPE and hosting daily briefings to regularly sanitizing equipment and housing and posting signs about social distancing.

- **Action:**
  - *Work to ensure continued access to PPE.*
  - *Access and prioritization for the agricultural workforce to the COVID-19 vaccine.*
  - *As many essential farm employees are guest workers, ensure migrant health centers are fully equipped to provide care and resources including testing and vaccine administration.*