

March 31, 2021

The Honorable Tom Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave. SW
Washington, DC 20250

Dear Secretary Vilsack:

On behalf of the specialty crop sector, we appreciate the opportunity to provide comments on the U.S. Department of Agriculture's ongoing efforts to develop, coordinate and implement grant programs to help food and agricultural businesses respond to the coronavirus. For our nation's fresh fruit, vegetable, and tree nut producers, we strongly encourage USDA to consider standing up and funding the following recommended priority areas:

1) COVID Worker Safety Program

Fresh produce workers play an essential role in feeding American consumers and the world at a time when our healthy fruits and vegetables are more in need than ever. The industry remains committed to prioritizing the safety of our workers, whether harvest crews in the field or employees in packing facilities, all while keeping the food supply chain moving.

Our industry was one of the earliest adopters and embraced public health advice. We rapidly built up our personal protective equipment (PPE) supplies, despite drastic price increases and extreme supply shortages in the early days of the pandemic. We enhanced existing hygiene, disinfection, and sanitation procedures, as well as installed infrastructure like plexiglass and designated employee areas to ensure social distancing in our fields and packinghouses. We ramped up worker training to ensure awareness of COVID guidance from local, state, and federal officials. Away from the fields and packing houses, we made concerted efforts to secure additional housing and transportation to ensure continued social distancing and quarantining options. As a result of rapid implementation of these measures, combined with the fact that fresh produce operations require the most labor out of any commodity group, farmers have incurred substantial worker safety costs during 2020 and face additional costs in 2021.

The American Rescue Plan Act of 2021 along with the Consolidated Appropriations Act, 2021 (P.L. 116-260) includes provisions that devotes U.S. Department of Agriculture resources to implement a number of programs including creating grants and loans to help the agriculture supply chain "protect workers against COVID-19." With the inclusion of these very important provisions, our industry will continue to build on our commitment to the safety and wellbeing of our employees, the safety of the products they harvest, and the health of all Americans who will continue to consume and demand fresh produce as part of their daily intake to fight back against this virus. We urge you to act swiftly to implement Congress' intent by setting up a program to supply significant resources to the produce industry.

Given the significant scope of resources already expended across the country and the need that will certainly be felt in 2021, we request you allocate \$1 billion to offset costs already incurred, as well as costs that will be incurred going forward.

As you design this program, we propose the following recommendations:

- Applicants must be allowed to apply for available funding for both reimbursement of already-expended costs, as well as to offset anticipated future costs. Applicants seeking a reimbursement must provide proof of expenditures. Applicants who seek and are approved for future expense assistance must provide subsequent proof of expenditures to self-certify and show compliance with the parameters of the funding.
- Eligible uses must include: purchasing test kits or temperature screening equipment, purchasing or leasing sanitation systems, or hand washing stations; Purchasing and decontaminating personal protective equipment; purchasing or leasing temporary housing and transportation vehicles for the purposes of quarantining or social distancing; equipment or construction costs to modify facilities to allow for social distancing; developing and disseminating educational materials relating to COVID–19 protective measures; covering the cost of testing and vaccinations; staffing and resources for farm worker specific testing and vaccination sites; and other measures to protect workers against, or aid in preventing the spread of, COVID–19.
- Eligible entities must include agricultural producer groups, producer cooperatives, or majority-controlled producer-based business ventures; small or mid-sized packers, food processors, or distributors with fewer than 1,500 employees; sole proprietor food businesses; farm labor contractors or farm worker organizations; farmers markets; and other similar entities as deemed eligible by the Secretary.
- The Agricultural Marketing Service (AMS) should be the subagency of jurisdiction over this program.

2) CFAP Revisions

The U.S. fresh produce industry represents approximately \$20 billion in farmgate value. Unfortunately, the economic viability of this sector to the farm economy has been hit with multiple impediments, none of which could be foreseen or avoided. The Consolidated Appropriations Act of 2021 provided additional resources for, as well as statutory changes to, the Department’s Coronavirus Food Assistance Program (CFAP).

As the industry moves forward with the 2021 crop year, it cannot be denied that the effects of COVID-19 on domestic markets continues to negatively affect the specialty crop sector. In fact, USDA’s new Chief Economist Seth Meyers, stated in his speech at the 97th USDA Agriculture Outlook Forum that in 2021 significant “declines [would occur] in fruits/nuts, vegetables/melons, and cotton” sectors of the U.S. farm economy. In addition, USDA’s Economic Research Service reported that fruit and vegetable crop cash receipts for 2021 are forecast to be at \$4.4 billion below 2020. Specialty crop producers cannot sustain another year of low or negative farm returns.

As USDA moves to reopen the CFAP application approval process, we urge USDA to implement the statutory changes mandated by Congress last December. The changes will, among other things, amend the payment calculation to include the amount of crop insurance indemnities received and payments made under the Noninsured Crop Disaster Assistance Program (NAP) and the Wildfires and Hurricanes Indemnity Program Plus (WHIP+) payments for crop year 2019 in addition to the amount of the producer's 2019 sale. It will also allow for the inclusions of a producer's 2019 sales as an approximation of the amount of what the producer would expect to market in 2020. These improvements to CFAP will provide a more accurate picture of the losses incurred by fresh produce farmers.

3) Specialty Crop Block Grants

The Consolidated Appropriations Act of 2021 also included \$100 million in fund through the Specialty Crop Block Grant Program. We strongly urge USDA to ensure this funding is used by states to address COVID-19 related issues. It is clear in the law, that the intent of Congress was to have this funding used at the state and local level for COVID-19 activities.

One of the areas we are encouraging states to focus this funding on includes protecting the health of our employees and workforce. To the end we encourage USDA to consider several priorities including PPE equipment, COVID related infrastructure improvements, COVID prevention measures in worker housing, vaccine prioritization and education, and marketing and promotion of locally grown fruits and vegetables. Basically, this funding should fill in gaps that USDA or other federal government agency programs might not be focused upon.

Finally, Congress intended, and we agree, that this funding should be thought of as separate and distinct from the traditional specialty crop block grant funding which is directed through the farm bill and covers broad specialty crop needs not related to the COVID pandemic.

4) Supply Chain Resiliency

The pandemic put the strengths and weaknesses of the U.S. food supply chain into stark view. There remain many areas where USDA can help to address gaps and breaks in the chain, reduce food waste, and help farmers, workers, processors, food banks, and families in need. USDA should consider establishing grants that may be used for purposes like expanding workforce-related infrastructure, retooling or expanding processing lines, converting industrial-sized products to consumer-sized products, and acquiring temporary storage, equipment, or transportation services. Additionally, the produce industry continues to have many supply chain members that have uncollected debt from food service customers because of the systemic shutdowns beginning in last March. USDA should consider ways to aid those produce companies that have been impacted by these losses, which will strengthen the produce supply chain while bolstering long-term planning and economic recovery in the food service industry.

We appreciate USDA's attention to address these requests, as well as address improvements to the food box purchase program, which our sector also strongly supports. We will provide more detailed comments on such efforts through the program-specific comment process, but we want to reaffirm that this program has been extremely helpful over the past year for both food insecure families and the farmers and suppliers who serve the program. However, recent changes have

reduced its focus on fruits and vegetables and created bidding hurdles that constrain its full utilization, and we look forward to working with USDA to address these and other matters.

We urge USDA to use existing funds in USDA from unused and de-obligated CARES Act appropriations funds that exist in USDA Commodity Credit Corporation (CCC) accounts and with unobligated funds in the December Consolidated Appropriation Act, as well as the American Rescue Plan Act, to support these recommendations.

Sincerely,

American Mushroom Institute
Avondale, PA

American Seed Trade Association
Alexandria, VA

California Blueberry Commission
Clovis, CA

California Apple Commission
Clovis, CA

California Association of Nurseries &
Garden Centers
Sacramento, CA

California Avocado Commission
Irvine, CA

California Blueberry Association
Clovis, CA

California Cherry Growers and Industry Association
Sacramento, CA

California Citrus Mutual
Exeter, CA

California Farm Bureau Federation
Sacramento, CA

California Fig Advisory Board
Fresno, CA

California Fig Institute
Fresno, CA

California Fresh Fig Growers Association
Fresno, CA

California Fresh Fruit Association
Fresno, CA

California Leafy Greens Marketing Agreement
Sacramento, CA

California Pear Growers
Sacramento, CA

California Seed Association
Sacramento, CA

California Strawberry Commission
Watsonville, CA

California Sweet Potato Council
Sacramento, CA

California Table Grape Commission
Fresno, CA

Cherry Marketing Institute
Dewitt, MI

Colorado Potato Administrative Committee
Monte Vista, CO

Empire State Potato Growers
Stanley, NY

Florida Citrus Mutual
Lakeland, FL

Florida Citrus Packers
Maitland, FL

Florida Fruit & Vegetable Association
Maitland, FL

Florida Tomato Exchange
Maitland, FL

Florida Watermelon Association
Immokalee, FL

Fresh Produce Association of the Americas
Nogales, AZ

Fruit Growers Marketing Association
Newcomerstown, OH

Georgia Fruit & Vegetable Growers Association
LaGrange, GA

Grower-Shipper Association of Central California
Salinas, CA

Gulf Coast Watermelon Association, Inc.
Trenton, FL

Idaho Eastern Oregon Onion Promotion Committee
Parma, ID

Idaho Grower Shippers Association, Inc.
Idaho Falls, ID

Idaho Potato Commission
Eagle, ID

Indiana-Illinois Watermelon Association
Vincennes, IN

Maine Potato Board
Presque Isle, ME

Maryland-Delaware Watermelon Association
Laurel, DE

Michigan Apple Committee
Lansing, MI

Michigan Asparagus Advisory Board
DeWitt, MI

Michigan Potato Growers Inc
DeWitt, MI

Michigan Vegetable Council
Erie, MI

Minnesota Area II Potato Council
Clear Lake, MN

Mississippi Sweet Potato Council
Vardaman, MS

National Onion Association
Eaton, CO

National Peach Council
Dillsburg, PA

National Potato Council
Washington, DC

National Watermelon Association, Inc.
Lakeland, FL

New England Produce Council, Inc.
Burlington, MA

New York Apple Association, Inc.
Fishers, NY

New York State Vegetable Growers Association
Batavia, NY

North American Strawberry Growers Association
Welland, CAN

North Carolina Potato Association
Elizabeth City, NC

North Carolina Sweet Potato Commission
Benson, NC

North Carolina Watermelon Association
Raleigh, NC

Northern Plains Potato Growers
East Grand Forks, MN

Northwest Horticultural Council
Yakima, WA

Ohio Apples Marketing Association
Newcomerstown, OH

Ohio Produce Growers Marketing Association
Newcomerstown, OH

Olive Growers Council of California
Clovis, CA

Oregon Potato Commission
Portland, OR

Pennsylvania Co-operative Potato Growers
Harrisburg, PA

Produce Marketing Association
Newark, DE

South Carolina Peach Association
Columbia, SC

South Carolina Watermelon Association
Columbia, SC

Southeast Produce Council
Millen, GA

Texas Citrus Mutual
Mission, TX

Texas International Produce Association
Mission, TX

Texas Vegetable Association
Mission, TX

Texas Watermelon Association
McAllen, TX

True Blue Farms
Grand Junction, MI

U.S. Apple Association
Falls Church, VA

U.S. Highbush Blueberry Council
Folsom, CA

United Fresh Potato Growers of Idaho
Idaho Falls, ID

United Fresh Produce Association
Washington, DC

United Potato Growers of America
Salt Lake City, UT

US Sweet Potato Council
Dillsburg, PA

Ventura County Agricultural Association
Camarillo, CA

Virginia Department of Agriculture and
Consumer Services
Richmond, VA

Washington Apple Commission
Wenatchee, WA

Washington State Potato Commission
Moses Lake, WA

Washington State Tree Fruit Association
Yakima, WA

Western Growers
Washington, DC

Western Watermelon Association
Santa Fe Springs, CA

Wisconsin Potato & Vegetable Growers Assn.
Antigo, WI

COVID WORKFORCE PROTECTION ASSISTANCE PROGRAM PROPOSAL

AGENCY OF JURISDICTION: USDA-AMS

FUNDING LEVEL: \$1 billion

INTENT: To provide eligible entities grants for the purpose of responding to the COVID–19 emergency by implementing worker protection measures.

ELIGIBLE ENTITIES: Producers, agricultural producer groups, producer cooperatives, or majority-controlled producer-based business ventures; small or mid-sized packers, food processors, or distributors with fewer than 1,500 employees; sole proprietor food businesses; farm labor contractors or farm worker organizations; farmers markets; and other similar entities as deemed eligible by the Secretary.

APPLICATION ELIGIBILITY PERIOD: If USDA is to ensure that as many farmers as possible can apply, we should aim for a longer timeframe rather than a shorter one. For example, maybe an eligibility period of March 1, 2020 – December 31, 2021, which would align with the starting date used for CFAP and concludes at time that should encompass two growing and harvesting seasons for many crops Applicant will be allowed to apply for funding made available for both a rebate mechanism (e.g. reimbursement for already-expended costs) and/or programs available for future expenditures (e.g. to offset anticipated expenses).

Applicants seeking a rebate must provide proof of expenditures (e.g. receipts, billing statements). Applicants who seek and are approved for future expense assistance must provide subsequent proof of expenditures to self-certify and show compliance with the parameters of the grant.

ELIGIBLE USES: Purchasing test kits or temperature screening equipment, purchasing or leasing sanitation systems, or hand washing stations; Purchasing and decontaminating personal protective equipment; purchasing, leasing, or renting temporary housing and transportation vehicles for the purposes of quarantining or social distancing; equipment or construction costs to modify facilities to allow for social distancing; developing and disseminating educational materials relating to COVID–19 protective measures; covering the cost of testing and vaccinations; staffing and resources for farm worker specific testing and vaccination sites; and other measures to protect workers against, or aid in preventing the spread of, COVID–19.

FUNDING TYPE: USDA may choose to tailor the form and amount of assistance based on an applicant's size, income, number of employees, operation type, etc. An eligible entity may receive not more than one grant under this section.