

April ##, 2021

The Honorable John Yarmuth
Chairman
Committee on the Budget
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Pursuant to section 301(d) of the Congressional Budget Act of 1974 and clause 4(f) of House Rule X, we offer the following budget recommendations with respect to programs within the Committee on Agriculture's jurisdiction. The Committee appreciates this opportunity to share its views and estimates for the fiscal year 2022 budget cycle.

Over the course of the past thirteen months, the COVID-19 pandemic has disrupted food and agriculture supply chains, sent turbulent shocks through agricultural markets, and impacted each of our families and communities. Thanks to the dedicated work of our essential food and agriculture workers including farmers, ranchers, farmworkers, and frontline food and agriculture personnel, our agricultural system continues to provide food for people around the globe. However, the pandemic has laid bare critical challenges and highlighted important opportunities for improved resiliency in our food system for Congress to address going forward.

First, Congress must not undermine the *Agriculture Improvement Act of 2018* (the 2018 Farm Bill), or laws enacted by Congress providing relief from the effects of the COVID-19 pandemic. We must also continue to proactively assess and address continued impacts of the COVID-19 pandemic and any underlying access and equity issues that may have exacerbated those impacts.

According to Census Bureau surveys¹ for the last week of March, nine percent of all adults and 11 percent of adults with children reported that their household sometimes or often did not have enough to eat². The Supplemental Nutrition Assistance Program (SNAP), including emergency pandemic-related enhancements, continues to provide a vital lifeline to millions of American families given that, after surging last spring, the unemployment rate remains one and half times

¹ The United States Census Bureau ("the Census Bureau") Household Pulse Survey is part of the Census Bureau's Experimental Data Series. As such, data products may not meet some of the Census Bureau's statistical quality standards. The Household Pulse survey is designed to provide data in a short turnaround to aid in the pandemic recovery, while U.S. Census Bureau regular benchmark surveys reflecting the impact of the pandemic may take several months or years before being publicly released.

² <https://www.census.gov/data/tables/2021/demo/hhp/hhp27.html>

higher than pre-pandemic levels³, food prices were 3.6 percent higher in February 2021 compared to February 2020⁴, and as of March 2021, 29 percent of U.S. adults reported having difficulty paying their usual household expenses⁵.

Globally, an estimated 921 million people were food insecure in 2020, a more than 20 percent increase from pre-pandemic level⁶, with 270 million of those people “marching toward starvation,” as was noted by U.N World Food Programme Director David Beasley in his Nobel Peace Prize acceptance speech⁷. This need builds on already troubling levels of hunger stemming from conflict and natural disasters, and U.S.-led food assistance efforts, including in-kind donations of U.S. grown-commodities, are an essential tool for global humanitarian response.

Closer to home, the pandemic has especially strained rural healthcare systems, where many patients must drive long distances to access intensive care hospitals. Twenty rural hospitals closed in 2020 alone, coming after 116 rural hospitals closed between January 2010 and December 2019⁸. According to U.S. Department of Agriculture (USDA) analysis, rural residents are “more vulnerable to severe illness or death from COVID-19 than urban (metro) residents because of factors such as underlying health problems, older age, and lack of health insurance.”⁹

In addition to direct emphasis on rural healthcare, rural communities need robust investments in infrastructure including in energy, voluntary conservation, public works and reliable and affordable broadband internet connections. As schools, jobs, doctors, and more went virtual in the last year, 14.5 million Americans living in rural areas and nearly one third of residents on Tribal lands did not have access to high speed internet.¹⁰ Put simply, rural communities must have access to broadband to compete and thrive.

Supporting lasting rural prosperity also means building more resilient agricultural supply chains. Those employed as essential food and agriculture workers have continued to work throughout the pandemic in order to keep our food supply chains running. News outlets have reported nearly 250 worker deaths related to COVID-19¹¹ and Purdue University economists estimate that there have been more than 550,000 cases of COVID-19 among agricultural workers, not including temporary or contract positions¹². Workers must be able to work safely for our food supply chain to function.

³ <https://www.bls.gov/news.release/pdf/empsit.pdf>

⁴ <https://www.ers.usda.gov/data-products/food-price-outlook/summary-findings>

⁵ <https://www.census.gov/data/tables/2021/demo/hhp/hhp27.html>

⁶ <https://www.ers.usda.gov/amber-waves/2021/february/international-food-security-to-improve-by-2030-covid-19-related-income-declines-in-2020-temper-overall-improvement/>

⁷ <https://www.wfp.org/news/wfp-chief-urges-world-use-its-wealth-prevent-famine-nobel-acceptance-speech>

⁸ <https://www.shepscenter.unc.edu/programs-projects/rural-health/rural-hospital-closures/>

⁹ <https://www.ers.usda.gov/amber-waves/2021/february/rural-residents-appear-to-be-more-vulnerable-to-serious-infection-or-death-from-coronavirus-covid-19/>

¹⁰ <https://www.fcc.gov/reports-research/reports/broadband-progress-reports/eighth-broadband-progress-report>

¹¹ <https://investigatamidwest.org/2020/04/16/tracking-covid-19s-impact-on-meatpacking-workers-and-industry/>

¹² <https://ag.purdue.edu/agecon/Pages/FoodandAgVulnerabilityIndex.aspx? ga=2.49471334.1159720487.1600111458-250602208.159898533>

Efforts to stem the spread of the virus resulted in temporary shutdowns and capacity reductions across a wide range of meat and poultry plants. These shutdowns, in turn, led to significant on-farm backups necessitating the depopulation of otherwise healthy livestock and poultry.¹³

In addition, shifting food purchasing patterns upended supply chains as consumers moved to eating at home instead of eating at restaurants, cafeterias, and other food service locations. This shift, as well as production bottlenecks related to SARS-CoV-2 incidence in processing facilities, led to dumped milk and destroyed produce at the same time as temporary shortages of select items on grocery store shelves and unprecedented demand at food shelves.

While creative marketing shifts¹⁴ and government purchases and donations of displaced commercial products¹⁵ helped to alleviate some of the displaced product, longer term efforts for diversifying processing capacity, making sure markets operate fairly, maintaining food safety, and expanding marketing options for farmers can help build resiliency for the future.

Beyond the impacts of the COVID-19 pandemic, farmers and ranchers have also faced droughts, hurricanes, blizzards, wildfires, derechos, and other natural disasters. It is crucial that farmers be compensated for 2020 and 2021 losses to date that have not been covered by standing programs. As the incidence and severity of extreme weather events increase due to changes in our climate, it is even more essential for farmers and ranchers to have workable safety nets, access to credit, and risk management tools to manage the volatility inherent in agricultural markets¹⁶. We must also ensure this support is equitable and accessible especially in the face of USDA's past history of credible discrimination claims¹⁷.

Addressing climate change also provides an opportunity for farmers, ranchers, forest owners, and rural communities. Continued investments in voluntary, private land farm bill conservation programs reduce the financial and technical barriers to improvements that farmers and ranchers select based on what is best for their land and business operations. These programs support a range of practices that improve soil health, water quality, water quantity, and wildlife populations across the country, in addition to the rural jobs needed to develop and implement conservation plans. New innovations in renewable energy and continued support for farm bill energy programs present new opportunities to reduce emissions, improve energy efficiency, reduce utility bills, and invigorating rural bioeconomies by creating new jobs¹⁸.

USDA-led research and extension efforts also play a critical role in developing and evaluating new on-farm practices and agricultural-related innovations. USDA's broader internal research and cooperative partnership work in animal and plant pest and diseases, bioenergy, soil health, nutrition, food safety, human nutrition, and other topics support farmers and consumers alike.

¹³ <https://www.nytimes.com/2020/05/14/business/coronavirus-farmers-killing-pigs.html>

¹⁴ <https://www.washingtonpost.com/news/voraciously/wp/2020/04/01/facing-devastating-losses-small-farmers-pivot-to-sell-directly-to-consumers/>

¹⁵ <https://www.ams.usda.gov/selling-food>

¹⁶ <https://www.ametsoc.net/eee/2019/EEEin2019.pdf>

¹⁷ <http://nationalaglawcenter.org/wp-content/uploads/assets/crs/RS20430.pdf>

¹⁸ <https://www.washingtonpost.com/climate-solutions/2020/06/16/climate-solutions-manure/>

In addition to building domestic market opportunities, access to international markets remains crucial for farmers and ranchers. This Committee has also long supported reducing barriers for U.S. agricultural products in competitive world markets, which relies heavily on technical work carried out and partnerships forged by USDA. Ensuring standards for trade are science-based and our agreements are fully enforced will help to provide a fair playing field for American agriculture to compete internationally.

As the global movement of humans and animals continues, this pandemic has broadly illustrated why active surveillance of zoonotic diseases should be a fundamental part of the U.S. approach to One Health, a framework that links together human, animal, and environmental health. The COVID-19 pandemic has been caused by a zoonotic virus¹⁹, and scientists estimate that 75% of emerging diseases are of zoonotic origin.²⁰ Beyond the human and animal health implications, animal disease outbreaks can also be costly and result in reduced export opportunities²¹, with the 2014-2015 U.S. outbreak of Avian Influenza costing over \$3 billion alone²². Given high-consequence threats like African Swine Fever and Foot and Mouth Disease, the USDA Animal and Plant Health Inspection Service is a vital piece of our national One Health infrastructure and plays a crucial role to safeguard our domestic food supply and to keep international markets open.

In order to fully address any of these challenges, we must ensure that all Americans benefit from the tools at USDA's disposal. We must take a proactive role in ensuring that underserved, socially disadvantaged, beginning, and female producers are aware of and have equitable access to support provided by the 2018 Farm Bill and COVID-19 relief.

Given the robust and broad challenges outlined above, we believe that no budget reductions are warranted in any part of our jurisdiction and that additional targeted and timely investments will likely be necessary to rebound from the COVID-19 pandemic and economic recession and to address future challenges.

The Committee on Agriculture is planning thorough oversight and monitoring of the authorities within its jurisdiction, including the implementation of the 2018 Farm Bill, as well as the continuing activities of the Commodity Futures Trading Commission. Our goal is to ensure that the investments made in these programs and authorities yield results consistent with Congressional intent. The Agriculture Committee will also continue to gather new insight into how to improve programs and authorities, including ways to continue to invest taxpayer money wisely.

Sincerely,

¹⁹ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC772576>

²⁰ <https://www.cdc.gov/onehealth/basics/zoonotic-diseases.html>

²¹ https://www.ers.usda.gov/webdocs/publications/45980/12171_err57_1_.pdf?v=0

²² https://www.agriculture.senate.gov/imo/media/doc/Testimony_Clifford.pdf