Over the past several years, family farmers and ranchers have endured low crop prices, global trade wars, and bad weather—and this year hasn’t brought the long-overdue relief many had hoped for. Instead, a global pandemic has compounded the difficulties that farmers and rural communities were already grappling with: extreme concentration in food production and processing, corporate control of agricultural markets, chronic overproduction, underfunded and understaffed hospitals, and inadequate access to broadband internet. If that weren’t enough, rising average temperatures and more frequent and extreme weather events are complicating food production, consequently threatening rural livelihoods and national food security.

That’s why hundreds of farmers, ranchers, and food advocates from across the country are gathering online this week for National Farmers Union’s virtual legislative fly-in. During meetings with their elected representatives, they will be highlighting the many challenges they’re confronting and proposing sensible legislative solutions that will help ensure the long-term success of family farm agriculture, establish equity in our food system, and support the prosperity of rural communities.

HERE’S HOW:

1. REFORM AGRICULTURAL MARKETS

2. SUPPORT PANDEMIC RECOVERY

3. STRENGTHEN RURAL INFRASTRUCTURE

4. SUPPORT CLIMATE-SMART AGRICULTURE AND BIOFUELS
The coronavirus pandemic has wreaked havoc on our food system, with severe consequences for everyone along the supply chain. Consumers are paying higher prices for food while farmers are being paid less. And due to supply chain disruptions and dramatic shifts in demand, consumers have experienced shortages of certain products at their grocery stores while farmers have been struggling to move excess crops, eggs, dairy, and livestock.

These may seem like new problems, but in reality, they are new symptoms of longstanding problems in the agriculture sector.

**CONCENTRATION**

A hundred years ago, our food processing infrastructure was diverse, built of thousands of regional mills, slaughterhouses, canneries, and refineries. But today, the vast majority of food processing occurs in a handful of large facilities. Over the last 5 decades or so, we lost 40% of our flour mills and 88% of our meat plants, leaving just 166 mills and 1,100 meat plants in total. As we’ve seen during the pandemic, reliance on a relatively small number of plants to process all of our crops and livestock has made our food system extremely vulnerable to disruptions. For example, several pandemic-related meat plant closures backed up the entire meat supply chain, leaving farmers with nowhere to sell their animals and limiting the availability of meat at grocery stores. Though most plants have since reopened, processing capacity remains strained.

**CORPORATE CONTROL**

Lax antitrust enforcement has allowed a few, large corporations to dominate every step of agricultural production, from seed to plate. Just four companies control 85% of beef packing, 85% of corn seed production, 84% of the pesticide market, and 90% of global grain trading, while two companies manufacture nearly half of U.S. farm machinery. Long before the pandemic, this was detrimental to farmers, who were left with less market power, higher input costs, less innovation, and fewer choices. This level of consolidation has also allowed food companies to engage in anticompetitive practices like price fixing, which is bad for consumers and farmers alike. In March, grocery stores were paying 20% more for beef than they had been in January, while ranchers were being paid 11% less.

Unsurprisingly, the same companies that take advantage of farmers and consumers also abuse their own workers, who lack necessary protections, paid sick leave, a living wage, or bargaining power. As a result, meat plant workers are especially susceptible to coronavirus: more than 41,000 have tested positive, and at least 193 have died.

**LOW PRICES AND OVERPRODUCTION**

Family farmers and ranchers have been in a precarious financial situation for many years, largely due to cheap food policies that have encouraged overproduction and pushed down commodity prices. Consequently, farm debt is at an all-time high and farm bankruptcies are on the rise. Between eliminating critical markets like restaurants and rankling supply chains, the pandemic has added to some surpluses and further depressed prices. Today, farmers are making 4.9% less than they were a year ago, cutting into already razor-thin margins.
REFORM AGRICULTURAL MARKETS

HOW CONGRESS CAN ACT

Help smaller and regional meat processors access new markets by defraying the costs of inspection.

- Support the Requiring Assistance to Meat Processors for Upgrading Plants (RAMP-UP) Act, which helps state inspected or custom-exempt slaughter facilities gain federal inspection status and access interstate markets.

- Help custom-exempt livestock processing facilities cover the cost of state inspection, which would give them access to a broader market.

- Support the Small Packer Overtime and Holiday Fee Relief COVID-19 Act, which would reduce the costs borne by small slaughter plants in order to pay for federal inspectors working overtime or on holidays.

Restore competition and improve transparency in livestock markets.

- Hold hearings on Livestock Mandatory Price Reporting and reauthorize the legislation.

- Support legislation such as the “50/14 rule” that would require larger meat packers to buy more beef on the open market.

- Demand stronger enforcement of antitrust laws and competition regulations in agricultural markets.

Establish a supply management system that prevents chronic overproduction and stabilizes prices for dairy and other farm commodities.
SUPPORT PANDEMIC RECOVERY

The pandemic has weakened an already anemic farm economy and added to farmers’ financial stress. During these difficult times, the CARES Act has provided crucial support for many struggling farm families—but assistance hasn’t been distributed equitably. Producers of just three commodities—cattle, corn, and dairy—have received 80% of funding, while many affected producers were not eligible for support. Additionally, the top 1% of recipients got more than 20% of the money, while the bottom 10% received just 0.26%. This isn’t a new problem; trade assistance for farmers exhibited similar disparities. To ensure that future funding is allocated fairly to those who need it most, Congress must oversee the development and execution of farm assistance programs. Additionally, such programs must not contribute to the glut of agricultural commodities by incentivizing overproduction.

BY THE NUMBERS:

4.8% REDUCTION IN AVERAGE FARM PRICES COMPARED TO A YEAR AGO

80% OF CFAP SPENDING HAS BEEN ALLOCATED TO THREE COMMODITIES: BEEF, DAIRY, AND CORN

20% OF AMERICANS WITH CHILDREN REPORT NOT BEING ABLE TO AFFORD ENOUGH FOOD FOR THEIR FAMILY

SBA PROGRAMS

Farmers don’t just rely on USDA for support; they also turn to Small Business Administration (SBA) programs as well as local and state governments. However, neither have been used to their full potential. Some farmers haven’t been eligible for SBA programs because of income requirements, and many state agencies are strapped for cash.

SNAP

But farmers aren’t the only ones who are suffering right now; millions of Americans have lost their jobs, many of whom are coping with food insecurity. In July, 1 in 5 of Americans with children reported that they weren’t able to afford enough food to feed their families, despite the fact that participation in the Supplemental Nutrition Assistance Program has risen substantially.
Provide family farmers with the financial support they need to withstand the pandemic.

- Support the Farming to Support States Act, which would direct funds to state governments to respond to the agricultural effects of the pandemic.

- Adjust the eligibility requirements for Small Business Administration programs so that farms with negative returns in recent years can participate.

- Increase funding for Farm Service Agency (FSA) staff and demand that USDA prioritize increased staffing levels for FSA county offices.

Ensure that all Americans can afford to feed their families.

- Increase the SNAP monthly minimum benefit from $16 to $30 and boost the maximum monthly benefit by 15 percent.

- Support the Food Supply Protection Act, which would facilitate the distribution of surplus food from farms to food banks.

Oversee the implementation of CFAP to ensure funding is distributed fairly and equitably.
Rural communities have long lagged behind their urban counterparts when it comes to infrastructure—and it’s holding back their economies, hindering education, and worsening health outcomes. The divide has only become more obvious as the pandemic puts more stress on hospitals, cuts into the U.S. Postal Service’s (USPS) revenue, and increases Americans reliance on broadband.

**HEALTH CARE**

For many years, rural Americans have had limited access to health care. Rural hospitals are chronically underfunded and understaffed, which has pushed more than 125 rural hospitals out of business over the past decade. The remaining facilities are overburdened as a result, serving far more patients than their personnel can handle. While urban areas have 31.2 physicians and 263 specialists per 100,000 people, rural areas have just 13.1 physicians and 30 specialists. To make matters worse, rural health professionals typically have fewer resources, including fewer beds and older medical equipment.

Without immediate action, there are likely more rural hospital closures in our future. Even before the pandemic started, one in four rural hospitals were at risk of closure and nearly half were operating at a loss. Between the cost of treating acutely ill patients and losing revenue from elective care, the pandemic has just added to hospitals’ financial difficulties. The loss of rural health care facilities is an especially concerning possibility as the daily number of new cases in rural counties is growing at a higher per capita rate than in urban areas and as farmers endure high levels of stress.

**BROADBAND**

As more and more daily tasks move online, internet access has become increasingly important. Yet the digitization of modern life has left many Americans behind; one in three rural Americans don’t have access to broadband internet, making it more difficult for them to run their businesses, communicate with friends and family, access telehealth services, and participate in online education. Pandemic-related social distancing measures have accelerated the shift to online living—and highlighted how wide the digital divide really is.

Expanding internet access in rural communities will not only help rural communities adapt to the pandemic, but it will also strengthen local economies and create new jobs. For example, USDA estimates that broadband-enabled precision technology could add more than $18 billion to agriculture’s total economic impact.

**POSTAL SERVICE**

Because so many rural Americans lack internet access, they depend more on the Postal Service than urban Americans do to vote, cash checks, pay bills, purchase farm inputs and livestock, send products to customers, and receive prescription medications. This isn’t helped by the fact that many rural communities do not have in-person alternatives.

For instance, 630 rural communities don’t have a pharmacy, and one in four nonmetropolitan counties don’t have a bank branch. On top of that, private services like UPS or FedEx often don’t deliver to rural areas and when they do, they impose a steep surcharge.
Ensure that rural hospitals have the necessary resources to stay open and provide adequate care.

- Set a 20 percent rural benchmark in the Provider Relief Fund that prioritizes facilities with the greatest financial need, those hit hardest by COVID-19, and those serving a large portion of at-risk patients.

Strengthen mental health resources for agricultural professional and rural residents.

- Continue to fully fund the Farm and Ranch Stress Assistance Network (FRSAN).
- Allocate funding for farmer and rancher stress management training programs through existing USDA mission areas and agencies.
- Develop mental health campaigns to educate farmers and ranchers on the signs of stress, coping mechanisms, and where to get help.
- Establish of a federal task force to study the causes of farmer and rancher mental stress and best practices for response.

Improve broadband connectivity in rural areas.

- Support the Universal Broadband Act, which enables connectivity for schools, libraries, rural, high-cost areas, and low-income households.
- Support the Broadband Reform and Investment to Drive Growth in the Economy (BRIDGE) Act, which will direct funding to states and Indian Tribes to deploy affordable, high-speed broadband in unserved and underserved communities.

Ensure prompt mail delivery at an affordable rate in all parts of the country.

- Provide emergency relief for USPS.
- Restore mail sorting machines and mailboxes.
- Reverse any changes that could cause delivery delays.
- Restore overtime pay for postal workers so they can deliver mail on time.
SUPPORT CLIMATE-SMART AGRICULTURE AND BIOFUELS

Climate change is the single greatest long-term challenge facing family farmers and ranchers, rural communities, and global food security. However, farmers and ranchers hold immense power to address this crisis—as many already are. They have implemented conservation practices that build soil health, which make the land more resilient to extreme weather and help to sequester carbon. They are also producing renewable energy, thereby reducing the reliance on fossil fuels.

These efforts are often expensive, technically demanding, and time consuming. To make on-farm climate action as accessible as possible, lawmakers should focus on providing farmers and ranchers with tools and resources they need to develop more resilient landscapes and reduce atmospheric carbon. A comprehensive federal strategy should build on USDA’s voluntary incentive-based conservation programs; promote and expand on-farm production of renewable energy and the use of biofuels; and encourage market-based solutions.

BY THE NUMBERS:

100 MILLION METRIC TONS OF CO2 COULD BE STORED IN AGRICULTURAL SOILS EVERY YEAR

80% OF AMERICANS SUPPORT RENEWABLE ENERGY FROM CROPS

$3,000,000,000 WORTH OF THE ETHANOL INDUSTRY’S REVENUE HAS BEEN LOST BECAUSE OF THE PANDEMIC

ENERGY

The pandemic devastated the domestic biofuels industry, as fewer drivers on the road and dwindling demand for fuel pushed dozens of ethanol plants to shut down or idle. The effects rippled across the rural economy, eliminating markets for farmers, costing hundreds of Americans their jobs, and slowing the economic engines of rural communities.

To aggravate the situation, the administration’s policies towards biofuels—including the EPA’s broad allowances of small refinery exemptions and an unwillingness to allow higher blends of ethanol—have also eroded the strength of this market. This is a huge missed opportunity as higher blends of ethanol replace harmful aromatics with cleaner burning ethanol, thus improving air quality.
SUPPORT CLIMATE-SMART AGRICULTURE AND BIOFUELS

HOW CONGRESS CAN ACT

Provide farmers with the tools, resources, technology, and information they need to mitigate and adapt to climate change.

• Cosponsor the Growing Climate Solutions Act, which would facilitate farmers’ and ranchers’ participation in carbon credit markets.

• Support strong funding for public agriculture research on climate-related issues and programs.

• Ensure family farmers and ranchers have a seat at the table and a strong voice in the development of climate policies and programs.

Help the biofuels industry fully recover from the impact of the pandemic.

• Support the Renewable Fuels Feedstock Reimbursement Act, which would reimburse renewable fuel producers for feedstocks they purchased during the first quarter of 2020.

• Establish a Renewable Fuel Reimbursement Program to pay ethanol and other biofuel plants 45 cents for every gallon produced between January 1 and May 1.

Prevent the abuse of small refinery exemptions (SREs) under the Renewable Fuel Standard (RFS).

• Support the Renewable Fuel Standard Integrity Act, which would impose an annual deadline for small refineries to submit petitions for exemptions based on disproportionate economic hardship.