

**March 26, 2020**

Dear NFU Board of Directors and State Staff:

Congress has released a nearly [\\$2 trillion stimulus package](#) (The Coronavirus Aid, Relief, and Economic Security Act, or CARES Act) aimed at helping U.S. businesses, hospitals, farmers, and individuals weather the ongoing economic issues caused by the COVID-19 pandemic. The deal comes after days of negotiations between Democrats and Republicans on Capitol Hill and the White House and is the largest stimulus package ever proposed. Included are \$130 billion for hospitals, a \$14 billion increase in USDA's [Commodity Credit Corporation \(CCC\) funding](#) for U.S. farmers and ranchers, \$150 billion for local and state governments, direct payments to individuals, and \$300 billion in financial aid for small businesses.

On March 25, NFU issued a [statement](#) on the legislation.

The bill is expected to be approved by the Senate on Wednesday, where lawmakers have remained in session in preparation for the measure. However, its path forward in the House is less clear. House lawmakers have returned home after several members tested positive for COVID-19. House leadership is hoping for [passage by unanimous consent](#) as early as Thursday, though that process could be upended by a single lawmaker in opposition. A vote would require House members to return to Washington, a potentially difficult prospect amid broad transportation system closures, unless leadership allows for a system of remote voting.

The summary below details the provisions of the bill that provide aid to rural healthcare, farmers and ranchers, and rural communities and businesses. NFU staff will provide additional updates as the packages moves through Congress and as more information is available. Please note that this summary of the bill may need to be adjusted as the legislation is further analyzed.

### **Rural health**

The bill provides additional funding for rural health care systems. The [Health Resources and Services Administration](#) will receive \$185 million to support rural critical access hospitals, rural tribal health and telehealth programs, and poison control centers. USDA Rural Development's [Distance Learning and Telemedicine program will be](#) supported with an additional \$25 million to improve access to these resources in rural areas.

### **Agricultural assistance**

The bill includes a \$14 billion replenishment of the CCC fund. USDA uses the CCC as a funding mechanism to stabilize, support, and protect farm income and prices, as well as to maintain balanced and adequate supplies of agricultural commodities and aid in their orderly distribution. The CCC funds many farm programs, including the [Market Facilitation Program, and this provision in the stimulus will](#) ensure that USDA can establish new aid initiatives.

The bill includes \$9.5 billion, separate from CCC, through the Office of the Secretary to help farmers affected by the pandemic, which could include specialty crop growers, farmers who support local food systems, dairy farmers, and livestock producers. This funding for assistance, along with the CCC replenishment mentioned above, grants much discretion to USDA on the use of these funds. NFU will continue to communicate with the administration about how to best deliver the help to farmers and ranchers.

The terms for repayment of commodity [marketing assistance loans](#) are temporarily extended from nine months to 12 months.

Furthermore, the Department of Labor will receive \$360 million to provide training and supportive services for migrant farmworkers, dislocated workers, seniors, and homeless veterans. The Department of Commerce have access to \$300 million to aid fishermen struggling from loss of markets.

### **Rural businesses and communities**

[Economic Injury Disaster Loans \(EIDL\)](#), run through the Small Business Administration, will be available to a wide array of small business concerns, nonprofit organizations, and small agricultural cooperatives for the period spanning January 31 – December 31, 2020. The bill waives any personal guarantee on loans and advances for EIDLs up to \$200,000 during the covered period.

The EIDL program includes a provision for emergency grants up to \$10,000 to be used for providing sick leave to employees, maintaining payroll to retain employees, meeting increased costs from supply chain disruptions, making rent or mortgage payments, and repaying certain debt obligations.

The bill creates the paycheck protection program, a \$350 billion program to provide up to eight weeks of access to federally guaranteed loans to employers who maintain their payroll during the crisis.

For SBA 7(a) loans, the bill waives the personal guarantee requirement, thus making cooperatives eligible for such loans.

In response to the millions of Americans working from home across the country, the bill provides \$100 million to the [ReConnect program to help ensure rural Americans have access to broadband](#).

Funds totaling \$20.5 million will be used to support an additional \$1 billion of lending through USDA's Rural Development [Business and Industry Loan Guarantee program](#).

### **Nutrition Assistance**

The bill includes \$15.5 billion in additional funding for the [Supplemental Nutrition Assistance Program \(SNAP\)](#), formerly known as food stamps) to handle the increase in participants, \$8.8 billion in additional funding for [Child Nutrition Programs, and \\$450 million for The Emergency Food Assistance Program](#).

### **Additional funding for USDA agencies**

In order to respond to the crisis and implement the changes contained in the bill, additional funds are available for many agriculture- and food-related agencies:

- [Agricultural Marketing Service \(AMS\): \\$45 million](#)
- [Animal and Plant Health Inspection Service \(APHIS\): \\$55 million](#)
- [Food Safety and Inspection Service \(FSIS\): \\$33 million](#)
- [Foreign Agriculture Service \(FAS\): \\$4 million](#)
- [Farm Service Agency \(FSA\): \\$3 million](#)
- [USDA Office of the Inspector General \(OIG\): \\$1 million](#)
- [Food and Drug Administration \(FDA\): \\$80 million](#)

### **Further key provisions**

*Direct payments to individuals:* Americans will get direct payments, known as recovery rebates, from the government of up to \$1,200 for individuals or \$2,400 for married couples. Parents will receive \$500 for each child under the age of 17. The payments will be reduced for those with adjusted gross income of more than \$75,000 and phase out for individuals making more than \$99,000. About 90% of Americans

would be eligible to receive full or partial payments under the plan, [according to estimates](#) by the Tax Policy Center.

*Health care system aid:* Rural communities, facilities, and states could also see assistance under Department of Health and Human Services funding aimed at shoring up the nation's healthcare system. These provisions include \$4.3 billion to support federal, state, and local public health agencies to prevent, prepare for, and respond to the coronavirus, \$127 billion for medical response efforts, and \$955 million for ACL to support nutrition programs, home and community based services, support for family caregivers, and expand oversight and protections for seniors and individuals with disabilities. In addition, the Federal Communication Commission will see a \$200 million boost to support efforts of health care providers to address COVID-19 by using telehealth to connect with patients, and Community Development Block Grants will get an additional \$5 billion to help communities respond to the pandemic by expanding community health facilities, food banks, and other facilities.

*Money for states to implement elections:* States would get \$400 million to prepare for the 2020 election by taking such actions as increasing availability of vote by mail, early voting, and online registration, as well as providing additional safety measures at polling places.

*Assistance for small manufacturers:* The package provides for \$50 million for [programs to help small- and medium-sized manufacturers recover from sales lost due to the economic downturn](#).

*Substance Abuse and Mental Health Services Administration:* The Bill provides \$425 million for SAMHSA to increase access to mental health services in our communities through Community Behavioral Health Clinics, suicide prevention programs, and emergency response spending that can target support where most needed.

## **Conclusion**

This bill makes important and immediate steps to confront the most urgent issues that we face today. In the coming weeks, we will learn more about the additional needs of our rural health care system, farmers, and communities, and Congress should be prepared to address them.