

Aid package may fall well short of offsetting COVID-19 losses

USDA's \$19 billion COVID-19 aid package for farmers easily eclipses any the Trump administration's previous trade assistance programs, but the plan may fall well short of compensating producers from the estimated damage of the pandemic.

The package, which includes \$3 billion in USDA purchases of meat, produce and dairy products as well as \$16 billion in direct payments to producers, will test the department's ability to follow through on a novel plan to distribute those USDA-purchased commodities to needy people while sidestepping the staffing and refrigeration challenges facing food banks.

The commodity purchasing plan will rely on distributors who can package household-size boxes of meat, chicken, fresh milk, dairy products and produce and take them by truck to food banks and other nonprofits where the food will be handed directly to recipients.

Many key details of the overall aid package aren't known yet or haven't been confirmed by the department, which will release a rule for the payment program later.

USDA, for example, hasn't released rates for the payments that will be going to growers and livestock producers. The American Farm Bureau Federation also noted that it isn't clear what price series will be used for some commodities.



Ag Secretary Sonny Perdue

There is also too little known about the ultimate impact of the COVID-19 crisis to know the extent that the aid package will offset the damage to producers. In developing the package, Agriculture Secretary Sonny Perdue said USDA relied in part on an analysis done by the Food and Policy Agriculture Research Institute at the University of Missouri.

FAPRI on April 13 released an estimate that net farm income would be \$20 billion lower this year because of the pandemic. The \$16 billion in direct payments to producers of livestock, row crops and specialty crops, would go a long way toward making up that loss.

But FAPRI Director Patrick Westhoff says the estimated loss is likely already higher due in part to packing plant closures that are “pushing down livestock prices more than we anticipated, especially for hogs.”

Milk prices also have fallen more than FAPRI estimated due to the closure of schools and other market losses, and the hit to the ethanol industry also will be worse than expected “unless driving pops back to normal very soon (which now seems quite unlikely),” he said in email.

This aid package isn’t expected to be the last in any case. Starting in July, USDA will have more money to spend. The \$2 trillion economic stimulus bill enacted in March and known as the CARES Act provided \$14 billion to replenish USDA’s Commodity Credit Corp., account. The money becomes available in July.

While the \$19 billion relief plan “is an important down payment in making agriculture whole from the unprecedented and unexpected economic fallout related to COVID-19, more help will be needed as the full extent of the crisis becomes known,” Michael Nepveux, an economist with the American Farm Bureau Federation, said of the aid plan.

Advocates for local and regional agriculture are unhappy that USDA has not yet detailed specific assistance for that sector.

The \$2 trillion economic stimulus bill, known as the CARES Act, specifically listed local ag systems as eligible for assistance.

“Those payments are required by law but, at least to date, do not appear in any summary of the package we have seen. Direct local and regional sales are very different from commodity markets, with very different pricing,” said Ferd Hoefner, an adviser to the National Sustainable Agriculture Coalition.

The plan earmarks \$500 million in direct payments for unspecified “other crops” beyond the row crops eligible for payments, but that funding apparently isn't intended for local agriculture, Hoefner said.

Here is a look at how the package shapes up for each ag sector, based on the information made available so far:

COMMODITY PURCHASES

USDA has committed to spending \$100 million a month buying dairy products, produce and pork and chicken.

The food box delivery plan has echoes of Perdue’s “Harvest Box” proposal, which called for a portion of benefits to be used for prepackaged boxes delivered directly to SNAP recipients.

Because food banks are facing soaring demand at a time when they also are short of volunteers because of the virus, USDA envisions distributors trucking the food boxes to each site so that

they can be immediately loaded into the recipients' cars. The direct distribution also would address the lack of refrigeration faced by many food banks.

USDA is seeking to ramp up its plan on an incredibly ambitious timetable; potential participants were learning key details on a Zoom call organized by USDA's Agricultural Marketing Service on Tuesday afternoon.

Detailed proposals for distributing the boxes are due in to AMS by May 1. USDA is expected to award contracts by May 8, and the program is supposed to be fully operational by May 15. The boxes are ideally supposed to contain a mix of eligible products, all produced in the United States.

Robert Guenther, senior vice president of public policy for United Fresh Produce Association, said the industry needs to "lean in and support this effort and show the diversity and ingenuity of how our supply chain can work with the federal government to get our delicious and healthy products to those most in need."

ROW CROPS

The \$16 billion in direct payments includes \$3.9 billion earmarked for row crops, whose market price has dropped at least 5% from January to April. Corn, soybeans and cotton all easily meet that test.

Corn growers have already lost \$4.72 billion alone this year, according to FAPRI's analysis, which estimated that the price would average \$3.35 a bushel this year, a forecast that now may be high given the widespread shutdown of ethanol plants; "\$3.35 is optimistic," said Purdue University economist James Mintert.

While the payment rates were not released, the payments will be calculated based on losses before and after April 15, according to information released by Sen. John Hoeven, the North Dakota Republican who chairs the Senate Agriculture Appropriations Subcommittee.

Losses from January through April 15 will be compensated at 85% of the price loss during that period; losses after April 15 through the next two quarters will cover 30% of expected losses.

Ethanol was notably left out of the package, and the administration is already under pressure from Iowa officials to provide payments to the industry.

"The industry, due to repeated attempts by this administration to undermine the RFS, has been operating at the thinnest of margins, if at all, and cannot be left behind," the three Iowa Democratic House members said in a joint statement. Two of the three, Cindy Axne and Abby Finkenauer, are running for re-election in races and are being targeted by Republicans for defeat. Iowa Agriculture Secretary Mike Naig, a Republican, also criticized the omission of ethanol aid.

LIVESTOCK

USDA will provide \$9.6 billion in direct payments to cattle, dairy and hog producers, but the department hasn't said how that will be divided up.

FAPRI estimated cattle producers had lost \$9.6 billion due to the COVID-19 crisis, while the dairy and hog sectors lost about \$4 billion each.

Each of the sectors argue that the damage is far greater. Cattle groups have estimated they've suffered up to \$13.6 billion in damages.

Chicken producers are ineligible for payments but will benefit from USDA purchases. Tom Super, a spokesman for the National Chicken Council, said it was too soon to determine whether direct payments would be needed because of production cuts that would lead to reduced flock placements with farms. That potential economic harm "hasn't materialized just yet and has only begun to be quantified," he said.

Also left out of the package was any kind of a supply management program, and Perdue declined a request from the National Milk Producers Federation to reopen enrollment in the farm bill's Dairy Margin Coverage program.

NMPF and the International Dairy Foods Association jointly proposed making payments to dairy producers to reduce production and to processors to keep buying milk. USDA made no mention of making such payments. "We'll continue conversations with our membership and policymakers about policy paths forward as we learn more about the details of the package put forth last week," said NMPF spokesman Alan Bjerga.

Perdue said allowing farmers to sign up for DMC after they declined to do so last fall would set a bad precedent.

SPECIALTY CROPS

Specialty crops are eligible for \$2.1 billion in direct payments to growers and grower-shippers, and there also is a commitment to relieve the debts of fruit and vegetable buyers for losses covered by government payments.

The industry, which is making clear it will be seeking more funding, had asked for \$5 billion in compensation for growers and distributors whose crops were lost after sales to restaurants, schools, restaurants and other food service destinations were lost.

Dave Puglia, CEO of the Western Grower Association, describes the USDA package as a "very limited and conditioned first injection" of aid.



Dave Puglia, CEO, Western Growers

Florida growers alone "have suffered \$520 million in losses" this spring, said Mike Joyner, president of the Florida Fruit and Vegetable Association. Potato growers say that 60% of their \$4 billion in sales go to food service, and Kam Quarles of the National Potato Council called the \$2.7 billion a "down payment."

Five questions for a veteran of ag and water issues

Dan Dooley has more than four decades of experience in California agriculture and water policy. Hailing from a fifth-generation farming family, Dooley has been on both ends of policymaking.

He served first at CDFA as chief deputy director under Governor Jerry Brown's first administration and then as chair of the California Water Commission. In his law practice, he was involved in a landmark 20-year litigation process over restoring flows for a salmon fishery on the San Joaquin River.

He then led UC Agriculture and Natural Resources (ANR), switching later to external relations for all 10 UC campuses. As a side job, he worked with Gov. Brown as a prominent voice for agriculture in the drafting of the 2014 Sustainable Groundwater Management Act (SGMA), tempering "some of the rough edges of the legislation substantially."



Dan Dooley, New Current Water

Dooley is now a partner at the water consulting practice New Current Water, advising large clients on agricultural investments.

The conversation has been edited for brevity and clarity.

1. In the timeline of your career, how would you describe where California is now in terms of water policy?

There is a unique opportunity now that hasn't presented itself quite as clearly in the past. Unfortunately, it's not simple.

The sort of basic federal and state regulatory structures don't provide a great deal of flexibility, and our water rights structure is pretty rigid as well. Our State Water Board every five or seven years will propose an update to the Bay Delta Water Quality Plan. They only have so many levers they can pull – most of them related to flows.

On the federal level, certainly the big driver has been the Endangered Species Act and the National Marine Fisheries Service and U.S. Fish and Wildlife similarly have few tools in their toolbox.

What has emerged over the last couple of years – which is interesting – is some pretty robust discussions among water rights holders and water users principally in the Sacramento Valley, although in the upper San Joaquin Valley as well, about entering into voluntary agreements with the various resource agencies, where they agree to set aside some of the rigidity of water rights law and agree to certain flow levels. But they also agree to do some habitat restoration, which can have the effect of reducing the required flow of water. It makes flows more efficacious

because you've created some habitat that can benefit from the flows in ways that under the current scenarios you can't.

If these agreements come together – and there's a reasonable probability that by the end of the year we could be pretty close to being there – it will create a more adaptive structure for managing water for habitat benefit and create some roles for more collaborative science. It will create some pots of money where people can sell water for flows and actually have a monetary benefit.

It could transform the way we manage water in California. I'm a big advocate of it.

I was called in by the governor at the end of the last administration on a very intensive six-week period to try to broker a deal. We did come up with a framework that the water users, particularly in the Sac Valley, bought into and some of the more moderate NGOs also bought into it. They have been working under the current administration to try to put the flesh to that. It would be a substitute for the State Water Board's update of the Bay Delta water quality standard.

I would say it's a 50/50 probability at the moment. But if that actually happens, there will be a major shift in how we manage water in California – in a very positive way, in my view.

Not everybody agrees with that, but there's pretty uniform support for this effort among water users in the Sac Valley, and that's where most of the water originates.

2. How optimistic are you that voluntary agreements will be signed?

The State Water Project is very actively engaged in those discussions and (Department of Water Resources Director) Karla Nemeth has been a proponent of those. (Natural Resources Secretary) Wade Crowfoot has also been a very active participant in the effort.

This is one of the more optimistic efforts that has materialized in the last couple decades. I'm pretty hopeful they can see their way through the forest to actually make these happen.

There are generational biases that exist on all sides of water issues in California. These agreements require everybody to take some risks. I would say the water users seem to be more willing currently to consider taking those risks than some in the environmental community. But some key players in the environmental community are taking this effort seriously and are active participants.

Nothing is linear in water in California. It's all multi-dimensional. But success in this arena also requires the State Water Board to get out of the way. They still retain jurisdiction, but they've got to be willing to accept a structure that is very different than their historic orders have been. They can't order what's being considered, because they don't have any authority to mandate habitat restoration or anything like that. But they do have authority to say if habitat restoration occurs, we can use less water.

3. What is your perspective on the 44 new groundwater sustainability plans for the most critically overdrafted basins?

There's a wide range of quality in the plans that have been submitted. We're monitoring 66 groundwater sustainability agencies, including all of the ones that we submitted for clients, and including all of the ones that submitted plans at the end of January for the 21 critically overdrafted basins.

There are some that are very good and address the key statutory issues. There are others that kick the can down the road. The jury's out on how the Department of Water Resources is going to view those as they review them for compliance. If they have an interactive process and engage with those agencies that have problematic plans and give them an opportunity during the two-year review window to make modifications and changes, it could be a very productive process.

The governor's proposed budget included some funding so DWR could hire some additional people to step this effort up.

There's a lot of speculation going around town about what COVID-19 is going to mean in terms of the budget. Clearly, they don't have revenues to project the May Revise because they put off the filing and payment date until July. There's some talk about even putting budget development off until July.

It's a really extraordinary time.

If DWR doesn't have the resources to do their job, I don't know what that means, in terms of the review process.

I'm one of those people who doesn't think the economy is going to bounce back particularly fast, and it may not even look the same. At the end of the day, it may be significantly different. A lot of small businesses are going to really struggle.

This governor is taking a pretty aggressive stance on funding new initiatives, and they're going to have to cut back on some of those. I don't know what that means for the implementation of SGMA.

If they don't have the funding to support the state's role and implementation, then the question becomes: Do the timelines flip? Is there some relief that's provided to the local agencies as well?

4. What advice do you have for farmers facing this uncertainty?

The fundamentals stay the same. If you're in agriculture, you need to think about firming up your water supplies, making them more sustainable over the longer term.

If you're investing in agriculture, you need to be looking at investments in areas where you'd have some reasonable confidence of adequate water supplies over time. Historically, there's been a lot of investment capital invested in groundwater-only areas where they don't have surface supplies. Those areas are going to be really challenged over time.

SGMA is clearly changing the landscape. There's likely to be groundwater credit markets and fallowing credits established in some of the overdrafted areas. Over the next four or five years, there are clearly going to be mechanisms that are implemented to achieve sustainability and allow individual landowners some flexibility in how they do that.

5. Could Cooperative Extension be playing more of a role in helping farmers with SGMA?

The answer is absolutely yes.

There's a leadership question at the highest level of the university. The Vice President for ANR has worked hard to make the argument internally at the university that a different funding mechanism needs to exist.

This governor has high ambitions, and I've encouraged people that want to see more invested in Cooperative Extension to make the argument to the administration.

If you want to think about a rural strategy, it doesn't get much better than Cooperative Extension.

There's an inside baseball argument for it, too. The current director of the Department of Finance Keely Bosler is a former sectional president of Future Farmers of America in the Sacramento Valley. She understands these issues inside out. With (CDFA Secretary) Karen Ross and Keely internally in the administration, you could give the leadership in the Legislature an issue to give to rural Democrats. They could throw \$25 or \$50 million at this and have only rounding error impacts on the budget and buy a lot of goodwill in rural communities.

Agriculture sometimes doesn't think big enough in terms of policy objectives. If you want to think about a long-term investment in their productivity of agriculture, investing in research in technology transfer has a lot of upside.

Truckers get a grab bag of COVID-19 waivers

Truckers are getting some regulatory breaks in this coast-to-coast coronavirus-upended economy as federal and state agencies roll back limits on truck weights and hours behind the wheel, suspend fees for overweight permits and more, since President Donald Trump declared a COVID-19 national emergency on March 13 that recognizes truckers' need to move supplies, often in tough circumstances.

“I'm not aware of another national emergency on this scale” for the nation's transportation, says Patrick Zelinski, program manager for operations for the American Association of State Highway Transportation Officials. “Maybe the flu (epidemic) of 1918,” he suggests, “and there was no national interstate (highway) system back then.”

In general, Sean McNally, vice president of public affairs for the American Trucking Associations, said in an email that truckers “have been getting cooperation from the federal government with various regulatory flexibilities (hours of service, licensing renewals, and testing, etc.), and that has been helpful to keep trucks making deliveries.”

But the relief is a mixed bag of regulatory bits and pieces among a menagerie of national, state, and local regulations and restrictions, dating back to when many states' disparate highway

load limits were grandfathered and overlaid on U.S. limits set in the 1974 and 1982 federal highway bills.

For trucks' gross vehicle weight (GVW), since 1982, U.S. law sets a national limit for interstate highways at 80,000 pounds; for loads on a single axle at 20,000; for tandem wheels, at 34,000. But nearly half of states' GVW maximums were grandfathered at over 100,000 pounds, with those of Florida, Michigan, and New York all over 140,000, and many states' single-axle and tandem limits also exceed the U.S. standard.

So, a map of state load limits emerges as a U.S. jigsaw puzzle when perusing responses to the national emergency declaration concerning GVW, since many states' maximums already permanently exceed the federal limits.

But check out the states' exemptions to highway load limits, updated frequently in a [table](#) posted by the [American Trucking Associations](#). It's crucial to know that such actions apply only to state highways and interstates, not to city and county routes.

The national GVW limit isn't likely to change soon, though AASHTO reports it's asking state highway agencies to consider it. Some states just aren't interested. "Operating at a higher weight is not (politically) realistic in California right now," said Eric Sauer, a senior vice president of the [California Trucking Association](#) (CTA), and "isn't something we have actively pursued."



Eric Sauer, CTA

In any case, many states require truckers exceeding gross or axle weight limits to carry a copy of the applicable state exemption and, if hauling food or farm supplies, also prescribe carrying a copy of the [FMCSA definition of food and farm supplies](#) and [other exempted commodities](#) covered by the national declaration.

Farm groups and ag shippers have pressed to ease load limits in some states. Also, many states and counties, including some with high GVW allowances, have suspended special weight restrictions that apply when the ground thaws in spring.

California's transportation agency, Caltrans, [hiked GVW](#) to 88,000 pounds (from 80,000), for example, but some farm interests there, including dairy co-ops, were displeased with the initial action.

California's weight limits are among the most restrictive, and Caltrans' order "is providing much needed essentials in response to this emergency," Sauer said. The order applied to virtually all farm products but included no extra single-axle or tandem weight allowance above the federal standards.

Also, Sauer said truckers were told initially they'd be charged for 100 permits, at \$90 a pop, for example, for each of 100 expected truck loads. But "they did change that to allow for a blanket permit ... for their fleets," he said, and "that takes out the logistical nightmare."

Roger Isom, Western Agricultural Processors Association president, says the state's exemptions do apply to the range of commodities his members haul, though he had wanted it to cover all destinations, including ports.

A few states that have held to U.S. limits have eased elsewhere. For example, Kentucky didn't raise the standard GVW limits in the COVID-19 emergency. But it did announce relief (recently extended to June 1) on hours of service and waived permit fees for overweight and oversize vehicles carrying essential supplies, including food and feed.

Helping the emergency response: trucking permit automation. The 2015 highway bill nudged the U.S. Department of Transportation and states toward online automation of overweight and other special trucking permits. By late 2018, the transportation agencies of at least 30 states had automated at least some trucking permits, said a task force report to DOT. By 2016, Illinois had automated nearly all of them, the report said.



Patrick Zelinski, AASHTO

With auto-issue permits, “you fill out a form on a website and get a permit in a few seconds or ... minutes,” says Zelinski of AASHTO. Large trucking companies and regular shippers would favor the speed and cost savings, he explains, but “most states have told me it takes them about two years and a million dollars to get their automated permit systems up and running.”

What most truckers need most of all: food and restrooms, says ATA's McNally. “What we are hearing from drivers is their biggest challenge is access to food and hygiene facilities like bathrooms and rest areas,” he says. “We are urging all levels of government to keep rest stops and welcome centers open,” he said, “so drivers can get a meal while on the road or use the bathroom. Similarly, the drivers need shippers and receivers to be cognizant of what drivers are experiencing on the road ... and allow them opportunities to use facilities and to rest.”

Lack of PPE becomes major concern at farm, food facilities

The novel coronavirus is living up to its name, ushering in a new way of life for America's food companies, most notably the meat industry.

Just in the last 10 days, because of employees experiencing coronavirus outbreaks, JBS USA has shut down its beef plant in Greeley, Colo., and its pork plant in Worthington, Minn. Smithfield's Sioux Falls, S.D., pork plant had to shut down around the time it became the country's biggest hotspot for new cases. And in Iowa, state officials announced April 19 that two-thirds of its 389 new cases were at meat processing plants. It has since confirmed more at Tyson and National Beef facilities.

Despite calls for closure of Iowa plants, Republican Gov. Kim Reynolds has pushed for them to remain open, citing the importance to the food supply and food security.

The problem has shined a spotlight on what will be a necessity for companies hoping to make it through the COVID-19 pandemic: Personal protective equipment. Not just for the meat industry, but for the food supply chain as a whole — including baking, food packaging, grocery stores and farmworkers.

Some associations say the problem is not widespread. North American Meat Institute spokesperson Sara Little says, **“Most of our members report being able to obtain PPE. Testing and when to apply it seems to be the next concern.”** And International Dairy Food Association spokesperson Andrew Jerome says, **“We’re not hearing of shortages in our specific industry at this time.”**



Geoff Freeman, Consumer Brands Association

But for many in the food industry, “The situation with PPE has only become more challenging,” says Geoff Freeman, CEO of the Consumer Brands Association, which includes food and beverage manufacturers and processors. **“The simple truth is that the industry, the essential workforce, is not getting access to the PPE that even the federal government is recommending.”**

Robb MacKie, president and CEO of the American Bakers Association, echoes Freeman’s concerns. Workers in the industry use masks and gowns as part of their normal workday, so companies have some supplies, but “inventory is running really low.” He cited as an example a company in Georgia that might have to shut down because of the lack of PPE.

Unlike slaughterhouses and packing plants, where social distancing during full production is not possible, baking operations are not as densely populated, which has helped allow facilities to remain open even if a worker gets COVID-19, MacKie said. There have been cases at plants, which has forced those employees to stop working, but out of “an abundance of caution,” workers who have had contact with the infected person are told to self-quarantine for 14 days, he said.

Representatives from dozens of trade associations in the food and beverage space have been meeting regularly to discuss COVID matters, and PPE has become a top priority, Freeman said. **Both he and MacKie said the group has been trying to elevate the food industry’s status on the government’s priority list for receiving PPE, as it did for hand sanitizer, putting food and ag just below hospitals and healthcare, but said the Department of Homeland Security has been reluctant to do so.**

There are “multiple examples where a contract has been signed” and a government agency has stepped in to redirect the product, Freeman said. Governors and private industry have complained loudly about having to compete with the federal government “for equipment the government has told businesses to obtain,” Freeman said. “That is what is so infuriating.”

FEMA published a rule April 10 allowing it “to allocate to domestic use, as appropriate,” certain items of PPE, including N95 masks and surgical masks. But Freeman says some of the materials taken have not been “health care quality masks. These aren’t N95 masks, these are cloth masks,” he says, slamming “the lack of consistency and clarity at the federal level.”

FEMA, on a webpage called “Coronavirus Rumor Control,” insists it is “not seizing or re-routing PPE being distributed internally within the U.S. to local or state governments, hospitals or any commercial entities.”

The agency also denies “out-bidding” states and others for supplies. Due to the Defense Production Act (DPA) and FEMA’S use of priority ratings for “reallocating” critical resources, “the federal government requirements for fulfillment are put ahead of other orders so we can best assist areas most in need of supplies,” FEMA says.

Some pleas are being heard. Kansas Gov. Laura Kelly, who said on CNN April 16 the state had put in “seven to nine orders to FEMA and not received anything. We have a lot of meatpacking plants in the state of Kansas. We need that personal protection equipment so that those folks can continue to do their jobs and continue to feed the nation.”

A few days later, on April 20, Kelly got PPE and testing equipment from FEMA, which will be used to address clusters of positive coronavirus cases in Kansas counties centered around food and meat processing plants, Kelly’s office said.

Plants operated by Cargill in Dodge City and National Beef in Liberal have had employees test positive, the Dodge City Daily Globe and other Kansas media have reported.

National Beef and Cargill did not respond to questions for comment, such as where workers have tested positive, but National Beef said on its website April 17 it would be taking every employee’s temperature before entering its plants and added, “We have an ample supply of disposable face masks for employees; face shields are also readily available.”

It also said it was installing “plexiglass dividers at cafeteria tables and other locations throughout the facility to provide safety barriers between employees.”

Other companies have moved to address the issue of workers getting sick and, in some cases, dying of COVID-19. **JBS USA and the United Food and Commercial Workers Union, which represents more than 250,000 meatpacking and food processing workers, reached an agreement April 19 that includes a \$4/hour raise and access to PPE such as masks, gloves and face shields. JBS also “will be installing plexiglass shields in areas of plants where social distancing is not possible”**

The agreement covers JBS plants in Arizona, Colorado, Illinois, Iowa, Kentucky, Michigan, Minnesota, Nebraska, Pennsylvania, Texas, Utah, and Wisconsin.

Smithfield, which has been widely criticized for its handling of COVID-19 at its Sioux Falls pork plant, said it is taking measures to address worker safety, which labor activists have said is slow in coming. The company closed the Sioux Falls facility April 12 indefinitely after hundreds of workers tested positive for COVID-19. The Centers for Disease Control has inspected the plant and has made recommendations to South Dakota Gov. Kristi Noem for the plant’s reopening that she said would not be hard to implement.

Smithfield said it “immediately placed orders for masks and, more recently, face shields for every employee” after the CDC released guidance April 3 to recommend that people outside the health care industry wear face coverings.

It also says it is “implementing thermal scanning, increasing social distancing, installing plexiglass and other physical barriers and restricting all nonessential visitors.” The company says masks “are available to employees at all Smithfield facilities.”

Cargill’s website has a March 18 statement saying, “disruptions in Cargill’s food supply chains have been limited, as our hard-working employees continue to operate safely in our facilities.”

UFCW and other unions, however, say more action is needed. On Monday, UFCW called on USDA to prioritize essential workers for testing and provide all of them with PPE. Plant personnel should practice social distancing to the extent possible, even if it means slowing down line speeds, the union said.

A USDA spokesperson said “USDA recognizes and supports the efforts of private industry and companies to maintain operational status of their facilities while also maintaining the safety and health of their work force. USDA, together with the FDA and CDC, will continue to support a whole of America approach to ensure the food supply chain remains safe and secure.”

Food Safety and Inspection Service inspectors at meat plants have not received face coverings from USDA. Instead, the agency has said it will reimburse them up to \$50 for masks they buy or make themselves.

"I understand the government wanting all these plants to stay functioning because they’re integral to the food supply, but we’re risking the company’s employees and our inspection personnel because there is no social distancing,” said Paula Schelling, head of the American Federation of Government Employees local that represents 6,500 food inspectors nationwide.

“There is nothing we can follow in those CDC guidelines, and I’ve said this from the beginning of all this — now here we are and those (meat plants) are really turning into the hotspots — we haven’t had the social distancing, we haven’t had the protective gear.” More than 100 FSIS inspectors have contracted COVID-19, she said.

How to find local foods and local farms during the COVID-19 crisis

As Americans were first being told to practice social distancing and shelter-in-place last month, many farmers were trying to figure out how to reach consumers who used to come to their farms.

During a “normal” year, thousands of buyers showed up at Southern Hill Farms near Clermont, Fla., to pick their own blueberries from early April to the end of May. The family grows about 40 acres of blueberries each year, along with peaches, sweet corn, sunflowers, and zinnias on another 80 acres.

Owner David Hill said that technically, U-Pick operations are allowed to be open for business, but it would have been difficult to safely manage the lines of people who showed up from Tuesday through Sunday. So, the Hill family scrambled to convert from U-Pick to drive-through.



David and Lisa Hill (center) with other family members, run Southern Hill Farms

Customers can purchase online and then drive through the farm to pick up their purchases, Hill said.

“It’s only a percentage of the business we would normally do,” Hill says, but they’ve witnessed some spikes in traffic.

He says the Saturday before Easter, the “support your local farmer” concept caught on big.

“We had people pull up in droves” and the wait was sometimes 2.5 hours long, Hill said. Southern Hill Farms has not had the same crowd since then, but he’s grateful that more people are looking for ways to buy locally and support the farmers who help feed them.

It’s a slightly different story for Community Supported Agriculture (CSA) operations, growing a variety of vegetables, flowers, herbs, berries and more. **David Plescia, co-owner of Green Valley Community Farm near Sebastopol, Ca., says their 26-week CSA program for 2020 is already booked full with about 40 more on their waiting list, due to a “huge uptick” of interest as a result of the COVID-19 crisis. Neighboring CSAs are reporting similar surges in demand, he adds.**

Plescia, who farms with his wife Katya, says their operation would not normally sell all of their memberships until June, but this year, they filled up in late March. The couple plans to make some additional adjustments as precautions against COVID-19.

From early June through Thanksgiving, members usually come to the farm and fill a large canvas tote with freshly harvested produce set out in their barn. He says they will harvest with masks and gloves, limit the number of people who can arrive at any one time and likely install a hand-washing station.

Plescia says much of their marketing has been through word of mouth, but this year, there seems to be more active internet searching for local farms and CSAs.

Karin Sinclair, owner of Sinclair Family Farms in Placer County, Ca., has also seen a big uptick in business, mostly from a 50-mile radius. Her family sells beef, lamb and pork and eggs by the carton, flat and case. She sells through a local Farmer Markets as well as monthly deliveries to a variety of select locations

“A lot of people are buying in bulk - a lot of 1/4 beef! Our online store sales have probably gone up 400%,” she says.

But finding local farms is not always easy – especially if you don’t live in the neighborhood and know what to search for.

USDA has a Local Food Directory, which lists thousands of Farmers' Markets, CSAs, Food Hubs and On-Farm Markets. Operators can add or update listings, which will then be approved by the agency and published. Potential customers can then search by zip code to find outlets within 5-200 miles of their location.

In addition, several state departments of agriculture have their own directories. Each state’s local food directory has a different format. Some websites are broken up by type of food category, others have businesses listed, and some are displayed on an interactive map.

Missouri's Food Finder is displayed using an interactive map that showcases different local food businesses around the state, providing contact information, types of food offered, location, type of purchasing options, and a link to the business' website if applicable. The state's platform is also set up to allow new registrations of businesses to continue providing access to more local food options.

California's local food site is first broken down by region, then a county-by-county breakdown of local farms. The directory lists produce that is available or activities families can develop on the farm to offer more agri-tourism options.

Tennessee's local foods website breaks down consumer options based on different sectors of the industry: restaurants/retail, CSAs, Farmers' Markets, Agri-tourism, and produce products available.

"NASDA members are finding unique ways to support local farmers, ranchers, and value-added food producers while strengthening their local economies and communities. From providing guidance to safely keep farmers' markets open, to interactive maps for consumers to find local producers, to online ordering systems, state departments of agriculture are supporting the movement of commodities to consumers who need them the most," said Barb Glenn, CEO of NASDA.

For your shopping pleasure, *Agri-Pulse* compiled a list of every state's local foods directory, click [here](#).

News Briefs:

Ag groups seek to intervene in glyphosate lawsuit. Commodity groups, ag retailers and others are seeking to intervene in a lawsuit filed in the 9th Circuit Court of Appeals that challenges EPA's interim approval of glyphosate. Addressing the plaintiffs' claims, the groups contend EPA's registration review decision is scientifically supportable and that the agency plans to finish its review of the chemical's effects on endangered species before it issues its final decision. They also said glyphosate, the active ingredient in Bayer's Roundup, has been "repeatedly evaluated" for health and safety risks and, citing EPA's decision, is "non-carcinogenic." The interim decision said glyphosate is "not likely to be carcinogenic," but a press release said it was "not a carcinogen." Darren Coppock, CEO and president of the Agricultural Retailers Association, said, "This is one of the safest, most versatile and widely used agricultural pesticides in the United States and access to it continues to be vital to American agriculture." The groups requesting intervention include the American Sugarbeet Growers Association, National Association of Wheat Growers, National Corn Growers Association, National Cotton Council of America, American Soybean Association, National Sorghum Producers, American Farm Bureau Federation, the National Association of Landscape Professionals, Golf Course Superintendents Association of America, and Monsanto. The plaintiffs in the case are the Center for Food Safety, Beyond Pesticides, the Rural Coalition, Organización en California de Lideres Campesinas, and the Farmworker Association of Florida. They filed their challenge in March.

California dairy producers could lose up to 40% in revenue this year. California dairy farmers could see a 30% to 40% reduction in revenue this year, according to a farm credit lender in the Central Valley. Yosemite Farm Credit President and CEO Tracy Sparks said projected milk prices are at historic lows due to COVID-19 disrupting food services along with

an oversupply of milk. “A dairy farmer in our area needs \$16 per hundred weight to break even but futures are showing milk prices getting as low as \$12 to \$13 per hundred weight over the next quarter,” Sparks said in a Farm Credit Council webinar Tuesday afternoon. Dairy makes up 30% of Yosemite’s ag commodity portfolio. The lender has over 5,000 customers in Stanislaus, Merced, Tuolumne, and Mariposa counties. She said there has been a decline in credit quality in the dairy sector from 2016 to 2019. “This trend is not surprising given the fact that many producers have been operating at or below break even for over four years,” Sparks stated. She said special mention loans, which are loans showing weakness or needing the manager’s attention, increased 5% in 2019 as dairy producers continue to exit the industry. Sparks thought the area would continue to see more deterioration and noted labor availability remains a concern. However, she said feed supply for producers remains adequate and stable

Farm Hands West: Litle moves to Sound Agriculture

Sound Agriculture out of Emeryville, Calif., has selected **Adam Litle** as the company’s new CEO. Sound's first product, Source™, helps plants access existing nitrogen and phosphorus in the soil to provide in-season nutrition. Litle previously worked for Granular, an agtech company, that has been acquired by Corteva. As a member of Granular's founding team, Adam played an integral role in leading the company from inception to acquisition by DuPont (now Corteva). Most recently, Litle served as Granular's senior vice president of revenue and was a member of Corteva's global leadership team.

Monterey Mushrooms has hired **Michael Manson** to manage the less than truckload (LTL) sales territory of the eastern region. Before joining Monterey Mushrooms, Manson was a logistics account executive for Lighthouse Transportation and Total Quality Logistics.



Michael Manson

Mike O’Brien has announced his retirement from Monterey Mushroom. O’Brien joined Monterey Mushrooms in 2014 as vice president of sales and marketing. **Brian Jenny** will succeed O’Brien at Monterey Mushrooms. Jenny previously was vice president of sales at Bright Farms and before that was the former director of sales at Monterey Mushrooms.

Church Brothers Farms has promoted **Jeff Church** to chief operations officer and **Rick Russo** to senior vice president of sales and marketing. Church previously was the vice president of sales. Russo joined Church Brothers

in October as vice president of strategic growth in planning.

Package Containers has brought on **Larry Grove** as the new manufacturing operations manager, managing the company’s supply chain, quality control and product innovation. Most recently, Grove was director of operations for Taylor Communications.

Marc Danner has been promoted to general manager of protected agriculture at Lipman Family Farms’. Danner will lead market strategies of all protected agriculture locations across Lipman.

Kyla Oberman is the new director of marketing at California Giant Berry Farms'. Oberman previously was the marketing manager at Jacobs Farm Del Cabo. Before that she was the marketing manager at Tanimura & Antle. Oberman succeeds **Cindy Jewell** who recently opened a consulting agency.

Melissa Vargas now serves as the district director for Rep. **Jimmy Gomez**, D-Calif. **Marcella Cortez** has been promoted to community engagement director and previously served in the district director role.

Allie Polaski is now the press secretary for Rep. **Scott Peters**, D-Calif. She previously served as press assistant.

President **Donald Trump** announced he will add **Roger Beachy** to the National Science Board. Beachy is a professor emeritus in the Department of Biology at Washington University in St. Louis. He was the former executive director of the World Food Center at the University of California, Davis. In 2009, Beachy was appointed as the first director of USDA's National Institute of Food and Agriculture, where he served until 2011.



Jon Ebert

John Deere has tapped **Jon Ebert** to serve as the North American public relations manager for the U.S. and Canada. Ebert was formerly the global input manufacturer segment manager at the John Deere Intelligent Solutions Group. Ebert joined John Deere as an intern in 2009 with the National Training Group. Ebert replaces **Cyndee Smiley**, who was recently named sales operation manager for the John Deere Ag & Turf Division in the U.S. and Canada.

Monument Advocacy has added **Lilia McFarland Horder** to its team as a new principal, mainly supporting the firm's agriculture and food practice as well as sustainability issues. Horder, a 13-year veteran with the Department of Agriculture, worked as a public affairs specialist, served as the acting chief of staff for then Deputy Secretary **Krysta Harden**, worked as the new and beginning farmer and rancher program coordinator and lastly served as the acting chief of staff for departmental administration.

Elanco Animal Health has expanded its leadership team, adding a chief marketing officer and three commercial leaders to its current executive committee. Following the acquisition of Bayer Animal Health, **Dirk Ehle**, current global head of Bayer Animal Health, will join Elanco as executive vice president and president of Elanco Europe. Ehle has spent 18 years with Bayer AG in a variety of leadership roles, and the past eight as the leader of Bayer Animal Health. **Joyce Lee**, current president of North America for Bayer Animal Health, will also join the company as executive vice president and president for U.S. Pet Health and Commercial Operations. **Racquel Harris Mason** has been tapped to serve as an executive vice president and chief marketing officer, effective immediately. She previously served as senior vice president at the Coca-Cola Company for the McDonald's Division USA and vice president, Coca-Cola and Coke Zero brands. **José Simas** is rejoining Elanco to become executive vice president for U.S. Farm Animal, leaving his position as president of Trouw Nutrition USA.

North Hill Group, a consulting firm specializing in market access and regulatory affairs in the food and agricultural sectors, promoted **Greg Dana** to vice president and added **Mary Locke** to the staff as a senior adviser. Dana brings nearly four decades of experience in regulated product environments, and in his new role will continue to offer guidance in global biotech regulatory compliance and policy formulation. Locke brings experience in agricultural biotechnology research, with a focus on regulatory science supporting global safety assessments of biotech crops.

Maureen Bausch has been named chief development officer of GENYOUth COVID-19 Emergency School Nutrition Fund. GENYOUth is a nonprofit organization founded by dairy farmers through their checkoff to create healthier schools. Bausch will lead and implement the fund's revenue-generating strategy to meet the demand from school nutrition professionals tasked with feeding the nation's students during the coronavirus pandemic. Bausch has more than 25 years of experience in business development and marketing for organizations such as Bold North Associates, Mayo Clinic, Mall of America and the Minnesota Super Bowl Host Committee.

Best regards,

Sara Wyant
Editor

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