

U.S. Senator Kirsten Gillibrand

Relief for America's Small Farmers Act Summary

Small farmers form the backbone of America, touching every aspect of American life from school lunches to family dinner. Yet, farm bankruptcies are at an eight year high, net farm income has dropped by nearly half since 2013, and farmers have more than \$10 billion in USDA Farm Service Agency loan obligations according to USDA's Economic Research Service. Not only has this led to an average of 12,000 farmers leaving the farming business between the years of 2011 and 2018, but it contributes to the increased mental strain farmers have been facing that has led to the epidemic of farmer suicides across the nation.

As the United States grapples with the current COVID-19 crisis, the entire economy is straining under the closures of restaurants, schools, and nonessential businesses. The *CARES Act* provided relief to these small businesses, but small farms have mostly been excluded and are just minimally benefitting from the Small Business Administration programs aimed to help keep affected industry afloat during this time of economic burden. It is also yet to be seen if small farms will benefit from the money appropriated to USDA. The *Relief for America's Small Farmers Act* will provide the support our small farmers need during this time as they see their operations severely injured due to the COVID-19 pandemic.

Bill Summary

- **Provide direct relief to small farmers to help alleviate crippling debt.** According to USDA's Farm Service Agency, farmers across the country received more than \$2.6 billion in Direct Farm Operating and Direct Farm Ownership Loans in FY19. The *Relief for America's Small Farmers Act* would provide a one-time debt forgiveness of up to \$250,000 across three types of USDA FSA loans: Direct Farm Operating Loans, Direct Farm Ownership Loans, and Emergency Loans.
 - Relief can be applied to shared loans and loans of any price tag, even those in default.
 - Ensures that farmers who receive this debt forgiveness will not have to pay any portion back in taxes and maintain their eligibility for further USDA Direct and Guaranteed loans.
- **Protecting our most vulnerable farmers.** While farmers of all sizes are struggling, it is our small farmers who are suffering the most. Farmers with an average adjusted gross income of \$300,000 or less over the previous 5 years will be eligible for this debt relief.
 - Allows farmers who have had to sit out farm seasons over the previous 5 years to be eligible for this debt relief.
- **Not another yearly entitlement program.** This legislation is designed to help farmers get back on their feet and continue farming. This bill will only offer a one-time debt forgiveness that farmers have to apply for, once they have been approved they will not be eligible for this specific type of loan forgiveness again.
 - Gives a one year window for farmers to apply for this debt relief.
 - Farmers that receive this debt relief must continue to be actively engaged in farming for at least 2 years after receiving the loan forgiveness.

Cosponsors for 117th Congress

- Senator Jeff Merkley
- Senator Ron Wyden
- Senator Bernie Sanders
- Senator Cory Booker

Endorsements

ActionAid USA
Advocates for Clean & Clear Waterways
Agrarian Trust
Agricultural Justice Project
Alabama State Association of Cooperatives
American Federation of Government Employees
American Indian Mothers Inc.
American Raw Milk Producers Pricing Association
American Sustainable Business Council
Blossom Foundation for Children & the Environment
Campaign for Family Farms and the Environment
Carolina Common Enterprise
Carolina Farm Stewardship Association
Central Texas Young Farmers Coalition
Church Women United in New York State
CitySeed
Community Alliance for Global Justice
Community Alliance with Family Farmers
Community Farm Alliance
Community Food and Justice Coalition
Dakota Resource Council
Dakota Rural Action
Earthjustice
Earth Ethics, Inc.
EcoHealth Network
Fair World Project
Family Farm Action
Family Farm Defenders
Farm Aid
Farm and Ranch Freedom Alliance
Farmer Veteran Coalition
Farmers Union Milk Cooperative
Farmworker Association of Florida
Federation of Southern Cooperatives
Food Animal Concerns Trust (FACT)
Food & Water Action
Food for Maine's Future
Food in Neighborhoods Community Coalition
Friends of Family Farmers
Friends of the Earth
Fund for Democratic Communities
GoFarm
GMO/Toxin Free USA
Grassroots International
Greenhorns
Green State Solutions
Grow Appalachia
Harpeth Conservancy
Illinois Stewardship Alliance
Intertribal Agriculture Council
Institute for Agriculture and Trade Policy
Institute for Food and Development Policy (Food First)
Iowa Citizens for Community Improvement
Iowa Farmers Union
Lake Erie Waterkeeper

Land For Good
League of Conservation Voters
Missouri Rural Crisis Center
National Family Farm Coalition
National Farm to School Network
National Farmers Organization
National Sustainable Agriculture Coalition
National Young Farmers Coalition
Natural Resources Defense Council
North Carolina Association of Black Lawyers Land Loss Prevention Project
Northwest Harvest
Northern Plains Resource Council
Northeast Organic Farming Association Interstate Council
Northeast Organic Farming Association of Massachusetts
Northeast Organic Farming Association of New Hampshire
Northeast Organic Farming Association of New Jersey
Northeast Organic Farming Association of New York
Northeast Organic Farming Association of Rhode Island
Northeast Organic Farming Association of Vermont
Northeast Sustainable Agriculture Working Group
Northwest Atlantic Marine Alliance
Ohio Farmers Union
Organic Consumers Association
Pennsylvania Council of Churches
People's Action
Peoples Climate Movement-NY
Pesticide Action Network
Pinnacle Prevention
Progressive Agriculture Organization
Real Food Media
Resilience Project
R-CALF USA
Rural Advancement Foundation International – USA (RAFI-USA)
Rural Coalition
Rural Development Leadership Network
Rural Vermont
Sitka Salmon Shares
Southwest Georgia Project for Community Education, Inc.
Sustainable Food Center
Sustainable Iowa Land Trust
Texas Coalition of Rural Landowners
Texas Mexico Border Coalition
WATCH Inc.
Western Organization of Resource Councils
Winston County Self Help Cooperative
Wisconsin Farmers Union
World Farmers Inc.