

USDA Advisory Committee Meeting

Location: Teleconference

Date: May 19, 2020

Time: 2 - 4 p.m.

MARIA GOLDBERG: Good afternoon. My name is Maria Goldberg and today I am serving as the designated federal officer, also known as the DFO. This is the meeting of the Advisory Committee on Beginning Farmers and Ranchers. I would like to welcome and thank everyone on the phone for participating. As the DFO, it is my responsibility to make sure that the Committee adheres to the requirements established by the Federal Advisory Committee Act, also known as FACA. The FACA was established in 1972, formally recognizing the merits of seeking the advice and assistance of our citizens. The Committee was originally authorized, pursuant to Section 5B of the Agriculture Credit Improvement Act of 1992, USC 1929, and was authorized under the Food Conservation and Energy Act of 2008 and is established and managed in accordance with the provisions of the Federal Advisory Committee Act. The purpose of the Advisory Committee on Beginning Farmers and Ranchers is to advise the USDA Secretary on a broad range of issues. The Committee plays an important role in shaping programs and policies impacting beginning farmers and ranchers. The Committee is to provide advice that is relevant, objective, and open to the public. At this time, I would like to introduce the Committee Chairman, Mr. Jason Brand.

JASON BRAND: Good morning, everyone. This is Jason Brand from the USDA Advisory Committee, Beginning Farmers and Ranchers. I'd like to welcome you to our committee meeting. This one will be on-line as opposed to in-person with members calling in, as well as guest speakers calling in. I hope everyone is doing well, staying safe during this pandemic. In fact, the pandemic will be a large part of our discussions today, particularly with the way it is affecting beginning farmers and ranchers. The goal is to gather information so that we can consider, I guess, an advisory position with regard to how has the crisis affected beginning farmers and ranchers in the past, but also really with an eye towards staying active and busy and safe during the present, but really what are businesses supposed to look like in the future as well. To that end, we have a full agenda today. Questions will likely not be able to be orally spoken due to on-line issues and will be typewritten and read by the speakers. So with that, thank you everyone and I'm going to introduce the next speaker from National Young Farmers Coalition, Sanaz Arjomand, who is the federal policy director of that organization. Sanaz, take it away. Thank you.

SANAZ ARJOMAND: Hi, everyone. My name is Sanaz Arjomand and I am the federal policy director for the National Young Farmers Coalition. Thank you to the Advisory Committee members who are serving in this important role and considering the needs of young and beginning farmers at this really challenging time. I'd like to start with just a quick overview of the National Young Farmers Coalition and the farmers that we serve and then move into more of a discussion about how COVID has been impacting them on the ground. So to begin, the National Young Farmers Coalition was founded in 2010. We are a network of farmers, ranchers,

and supporters across the country and at the heart of what we do are 44 farmer-led chapters in 25 states. They take on grassroots organizing, including advocacy, skill-sharing, networking, those sorts of activities as they so choose. We've got staff at two federal and state advocacy and we've also got a business services team and a land access team that works on researching best practices for our farmer members. We did a survey in 2017 of folks that are in our network. This isn't randomly selected. It's not a statistical sample. It's just meant to show those types of farmers that are in our network and I wanted to highlight a couple of these things for you to keep in mind as you're thinking about COVID response at USDA. A really high proportion of our farmers, 75 percent of them, did not grow up on a farm, so that brings its own unique set of challenges. They're not inheriting land. They're not inheriting networks. They might not know how USDA works and might not have interacted with USDA in the past. A lot of them have gone on to pursue education beyond high school and that has come with a fair degree of student loan debt, which makes it difficult to take on additional debt to weather crisis such as this one. They tend to be -- more likely to be farmers of color or indigenous farmers than the national average compared to the 2012 Census of Ag, which was the most recent at the time that our survey was completed. A lot of our farmers are growing vegetables; 72 percent of them are focusing on that and of those, a really high proportion of them are growing two or more types of products. So they tend to be really highly diversified on their farms. CSA and farmers markets, those direct to consumer channels, are also the most common distribution channels that our farmers are using, so this business model works because there's a high degree of diversification and they get to interact with people face-to-face and obviously during this time, that presents a lot of challenges as face-to-face interactions are limited.

And finally, a lot of our farmers are taking on and working on organic certification and practices and that also helps them receive a higher price point for the things that they produce. So to understand the impacts of COVID-19 on these farmer members that I've just described and the farmers in our network, we did a survey that we put out in early March to ask about negative impacts, needs, and resources that would be helpful. We also did a couple of smaller group sessions just open for discussion and met with our chapter leaders across the country to hear about how they were working together in that grassroots way to respond to the COVID-19 pandemic and what we found in terms of challenges from the survey, the major challenge, as I alluded to earlier, is that farmers are seeing reduced outlets to sell their products. Farmers markets may be shutting down or may be operating with a lot less foot traffic. If they were selling direct to a restaurant, that has obviously been very heavily impacted during this time, but of course, our farmers are resourceful. They're thinking about pivoting and they're finding a 53 percent of them that are a lot of added costs to trying to implement alternative sales strategies. A lot of folks are moving to a contained box system, CSA model, and that's something that they were having to do, on the fly in many cases, just as the season was picking up and that comes with a fair number of additional costs in terms of doing additional marketing to find more customers and buying boxes and thinking about making deliveries, so there are a lot of added costs that come in trying to find new markets when their other outlets have been shut down. And then a lot of other challenges; you

hear about destruction to completed projects, lack of support, businesses, and reduced income from all farm work beyond farmers, as many farmers often finance with off-farm work as well.

So what we heard back in terms of needs really relates very closely from what we saw from the challenges side. Folks are looking for help developing new sales channels and they're looking for direct financial assistance to help them to weather the storm and take on those additional costs when they have already sort of taken on as much debt as they can just for over the normal course of a season and planning. There's also interest in food safety, response, software, and tech support, accounting and business help, and access to mental healthcare and a lot of these things are things we recognize USDA has been working on over the long-term. A couple of things that sort of fit into the sales channel that I just didn't list out here, also looking for help in getting the word out about their farm, getting new customers to purchase CSA shares if they're pivoting to that model, getting customers to purchase their food and helping others in their communities; that was about 27 percent for that last one. And the full list of all of these survey responses is available in my written comments as well. So we heard many of the same things in our listening sessions and meetings. Farmers are looking to connect with emerging seafood programs and are hoping to ensure that they can continue taking WIC or farmers market nutrition program payments. They've got additional costs and they're working together to go on-line and pivot their sales strategies and a couple of folks in these conversations also brought up the challenges of labor and getting folks to work safely on their farms. So I wanted to share some thoughts from us about how we're taking all the information that we've gathered to direct our time about how best to help our young farmers.

I think the first most important thing is that outreach is really important and these programs need to be tailored in a way that makes sense to the models that young farmers are running their businesses. So first generation farmers aren't as connected with USDA on-line materials. Materials in multiple languages are really going to be important to get them the resources that they need and to build that trust in USDA and we're looking forward to working with the state beginning farmers and ranchers coordinators also to help get our members more connected. About tailoring payments to the needs of local and regional producers, these folks are specifically called out in the CARES Act. There's a recognition that their marketing channels are really facing a severe downturn during this time and we heard that direct payments is a high need in our survey responses, so having a set-aside for young and socially disadvantaged farmers, thinking about market losses instead of commodity price losses. A lot of these farmers are getting fairly high payments selling it direct to consumer and that really needs to be taken into account in order to keep these farmers going through this crisis and to keep their businesses viable and essentially to keep them next generation on the land.

We'd like to see also additional flexibilities. We appreciate those things that FSA has put into place already, the disaster set-aside and other flexibilities, encourage that that be continued through at least the end of the year just to give farmers more certainty that they're not going to be facing foreclosure, loan accelerations, and I would encourage this committee to start thinking

about other means of direct relief through FSA, potentially encouraging USDA to work with Congress about a program like those from the Small Business Administration that provide direct relief and that provide them in a way that is actually beneficial and accessible to these young farmers and socially disadvantaged farmers that we've been talking about in this presentation. I noted before also that our members are really interested in connecting with emergency food programs, so allowing TEFAP to count for food purchases, working with Congress on other ways to make on-line SNAP more accessible for local and regional producers who are also now moving on-line, all of those would be of really high interest to our members. I mentioned that labor is an issue for some of our members and just wanted to encourage the Committee that if they are considering any policies to address that that they not include changes to the adverse effect wage rate or anything that is going to make the compensation for essential workers on farms less than it is at present, considering the essential nature of the work that they are providing at this time. And I mentioned also that there are some projects already underway and programs already in place at USDA that really address some of those longer range challenges that came up in our survey response in terms of mental health and helping to build up local and regional food systems, the business training, so I just wanted to highlight the importance of FOTO, farm and ranch stress assistance at work, and the FMLFPP programs that sort of do all that work on the ground and the importance of making it more flexible so that other organizations that are participating in that can do with limited actual with no match, considering that a lot of those partner organizations are also going through challenging times.

And I thought I would end with this slide. These are from that same 2017 survey. The top challenges that young farmers were facing prior to COVID-19, access plans, student loan debt, labor, and health insurance, and just wanted to recognize that a lot of our members, especially folks who are first-generation farmers, were already in a very challenging spot in building their businesses and we're dealing with a lot of long-term systemic issues that are here and it's really likely that those are going to accelerate as, you know, older farmers are going to maybe transitioning more land during this time and health insurance, obviously, is quite important as many people have health fears through the pandemic. So I wanted to again, applaud the work that this committee is doing and encourage you to keep focused on this next generation in agriculture and make any proposals that you propose really inclusive of these folks and looking forward to continuing to work with the Advisory Committee on these long range challenges as soon as we can get back to the new normal. Thank you very much.

MICHAEL O’GORMAN: Okay. Well, thank you everybody. My name is Michael O’Gorman and I’m the founder and director of the Farmer Veteran Coalition. The Farmer Veteran Coalition, if you don’t know about it, we have two simultaneous objectives and one is to help military veterans. We started during this time of the long wars in Iraq and Afghanistan, but helped military veterans of all eras find their place in our agricultural community and at the same time, help our agricultural community deal with our need for human capital, both as farmers, as skilled employees, and as people returning to our families, returning to our rural communities. This is just a quick thing about me. I’m actually -- One of the things that makes me unique is that I’m a first generation farmer of the -- of a period when there was a lot of movement, some create new beginning farmers 50 years ago. The reality is that very few people were able to stay with it, but some of us found our place in movements like the organic farming movement and I had a very exciting and long career without owning land and without formal education in agriculture, so I’m a real believer in the opportunity that American agriculture brings to people. A little bit about our members, we have 20,000 veteran members. We tend to be a little majority male just because that’s the makeup of the military. It’s about the same percentage that 50 percent -- that’s about the makeup of the military so they come out with an equal interest in agriculture. A little bit different from Sanaz is that our veterans tend to come from rural communities and want to return to rural communities. About 20 percent and a growing percentage of our members are heirs to family farms and family farm operations and have a long history of men and women in those families going in the military and coming home. About 20 percent are new to farming. About 60 percent, they’re what we call one-off, grandfather farmed and gave it up in the 80s, the uncle’s farm, the neighbor’s farm, the in-laws’ farm, and a slight majority of our members have land, about 10 percent over 250 acres, 20 percent over 100 acres, so land has not been the biggest issue for our members. Getting trained and knowing how to start a farm operation when they come home and they’re in the middle of a starting a family and in the middle of the reorienting their life after military service, that’s a lot of things to deal with at once.

So we’ve seen just a tremendous impact from COVID basically almost overnight, particularly the growers of perishable products, the fruit and vegetables and flower producers just had their markets just upended overnight. A lot of panic calls, losing my farm to school, losing my farmer markets, restaurants are shutting down, and just a week or so into it, the meat producers, the egg

producers whose markets were restaurants, they started calling, so there's been a lot of upheaval and a lot of uncertainty. At the same time, we saw a lot of veterans really move quickly and adapt their markets and in a lot of cases, and it's hard to give a quick number to it, but I would say that more are actually finding new markets and new demand and feeling kind of bullish about the demand for their product and a lot of that is because of on-line marketing and the ability to just adapt and go out and find new markets. So a lot of the demand is coming from the local community, from their neighbors, from friends, from people they can reach on-line.

So we see the opportunity as a potential long-term jump in market share. You know, when we consider that, like National Young Farmers, that the majority of our farmers are dealing with smaller pieces of land, sometimes marginal land, across the country, they're producing vegetables outside of California, they're producing meat outside of the Midwest and whether that market share is going from 3 or 5 percent to 6 or 10 percent or 8 percent, once things settle back down, we see that as a bullish time and a production-driven time for our members. And we want to be there to support them, we want to be there to help those that are having a hard time, but we want to be there to support those that are actually able to grow their farms during this time of need with the public. We've also seen very strong peer-to-peer support between our members. We do everything we can to introduce them to each other. They have national and state and regional events that the veterans can meet each other. They're isolated through their rural living space by geography and we're finding that they're really helping and supporting each other through this time. One of my first recommendations, we're making a couple of recommendations, is just an all-time favorite project of Farmer Veteran Coalition, we want to look forward past COVID and our need that, you know, if this is really an increasing opportunity for more farmers spread across the United States and more small and mid-size producers to get into the game.

We're a big supporter of apprenticeships. We think the best way to learn is through a for-profit farm operation. Family operations are fantastic. We have a couple major projects we're working on. The one in California is funded by NIFA in their ag grants program to get veterans into farm management apprenticeships. That was my career in vegetables and that's big opportunity and on the West Coast, so we're very supportive of that. And the second thing is we've been working in Kansas at Fort Riley and Fort Leavenworth in partnership with the Department of Defense and the Soldier for Life Program to place active duty soldiers in their last year from service on farms so that -- with farmers, government paid apprenticeship, so that they can look at agriculture and get a start in agriculture as soon as they get out of the military. So we think that that's a real win-win situation and can help us create a new generation of veteran farmers, but beginning farmers, it doesn't have to be all veterans, and help populate our rural community. Sorry, I skipped this one. There's a word missing in here. I wanted it to say long-term partnership with the food banks. We think it's tremendous the support for the food box and the purchasing of product to give to those in need at this time, but we've also been a long-term advocate for food banks working with beginning farmers,

particularly in the vegetable production side of things, but it can also be in eggs and other things, to create a market for them to actually do crop planning with them. This would allow farmers to focus on their production, not have to deal with learning marketing at the same time, and reward them for the yield in productivity. It would allow them to grow fewer crops with less complexity, make donating, make handling, make post-harvest handling safer and it would provide for the food banks or any of the other agencies that get food to people in need, fresher product instead of waiting for something that wasn't sold and then gets donated and then gets shipped across the country. It would be fresher, it would be a steadier supply, and there will be less waste, so that's another proposal we're advocates of and I think it would be a great way to introduce veterans into -- and new farmers into vegetable production across the country.

And then my third proposal -- Our third proposal is just to support your farmer, your veteran farmer and rancher, and this leads into our slide about our Home Grown by Heroes label. This is -- The number is over this now, but between 2,000 and 3,000 farmer veterans in all 50 states use this product. The aggregate sales involved in the program is over \$100 million dollars. We have partnerships with 20 state departments of agriculture and we just recently got a wonderful ruling thanks to a lot of help, Bill Ashton, the military veteran agricultural liaison at the USDA. Bill helped us work with FISA and it be a ruling that the Home Grown by Heroes label can be applied at USDA meat packing facilities. That's been a big request for our producers who -- a little bit different than what Sanaz said about we're about two to one or three to one meat producers compared to produce, so that's a big -- has been a big benefit to us. And that's our label and how one could get a hold of us and learn more about our projects and we just feel like this is a -- our veterans got into farming with a real sense of mission. When people say farming is healing for the veterans, we said what was really healing was, not because it was easy, but because it gave them that sense of purpose so they went into the military and they really felt like farming - like food security was national security and I think that now that we know how true that would be at such a dramatic time as it is right now. So we're really grateful for them going in and giving farming a try and we want to give them all the support we can and we appreciate this opportunity and we want to thank Maria Goldberg for winding me up and I want to thank Deputy Secretary Censky for bringing this listening opportunity.

JASON BRAND: Okay. Thank you so much, Michael, for sharing your thoughts. We're going to continue just to stay on track and then, again, we'll circle back with questions to both you and Sanaz. Thank you. We have USDA Farm Service Agency next. We have two members from FSA. We have Jody Kenworthy, Deputy Administrator for the Agricultural Farm Programs, and some other titles, I think, as well as James Jackson, Deputy Director of the Loan Making Division. Obviously, today there were some big programs announcements and with that, assuming that Jody and James are on, you guys are up. Here comes your presentation. Thanks.

JODY KENWORTHY: Hey, this is Jody. I'm assuming by the little microphone you can hear me. So I apologize. I can't speak too much about the new program, CFAP, which is Coronavirus Food Assistance Program, but I can talk a little bit about it. Basically, the idea

behind it is it will be there to help producers during the Coronavirus who supply chain, you know, or lost or basically it will provide financial assistance to producers of agricultural commodities and give them the ability to absorb sale loss and increased marketing costs associated with the pandemic. Agricultural categories, we'll have specialty crops, non-specialty crops, livestock, wool, and dairy and we're also putting out a regulation in the Federal Register that should be posted either tomorrow or the next day that will go into details about the program, the payment, the payment rates, the, you know, everything and then also we'll have a NOFA that will go out asking for commodities, information on commodities, we haven't included. And sort of evidence or suggestions of, you know, basically an economic analysis if why they should be included. Other than that, I don't know how much I'm allowed to say at this point before the reg really goes out. You know, we'll start implementing it next week, so by tomorrow or Thursday, you will know about it. Other than that, what we're doing to help -- sorry -- to help producers is we're trying, because we're all working from home to make sure that producers know that they have the ability to call their FSA office and still get someone and set up an appointment by phone and on the phone to work with them to set up, you know, for records, to set up any sort of enrollment in the program, we talk to everyone, without having to actually physically interact with them. We've also, through the CARES Act, which implemented CFAP, we -- they've extended normal MALs, which is marketing assistant loans, for four months, normally nine months. The extension is applicable for all commodities except cotton and sugar. It's available for crop years '18, '19, and '20, loans that are open and in good standing that would normally mature starting -- well, started March 31st and new crop year 2019 and 2020 when requested by September 30, 2020. So there's very much more forthcoming in the next few days. I encourage you to go to the Federal Register to submit your comments when the NOFA comes out, submit your comments, and to look for your FSA office to know what you should do as a producer. We have the website farmers.gov has a local -- has a place to look for your local office and they will really be the ones who will walk you through everything in terms of how you apply, what you're eligible for and just, you know, any details you might need and I'm willing to take any questions. I might not be able to answer them right now, but I will get back to you as soon as I can. That's really all I have.

JASON BRAND: Jody, given the difficulty of, I guess, getting everyone's speakers on and off, we'll compile a list of questions and come back to you later.

JODY KENWORTHY: Sounds good. Thank you.

JASON BRAND: All right.

JAMES JACKSON: Okay, great. Well, this is James, and I've actually been here debating whether or not to run through our prepared presentation or just speak specifically to the COVID and how much things have changed based off of just how we're adjusting our internal processes, as well as how the producers are managing to do things that allow us to continue to do the work. So I'm going to advance through the slides as a guide, but I may be a little bit -- I may deviate

from the slides a bit here. I want to start by thanking everybody for their persistence. This presentation was originally designed as a I'm going to say a rebuttal to the meeting that was happening in October or maybe even a refresher to give us some insights about questions that we received, feedback we received, from you guys' initial meeting, but, you know, at that time there were some questions about who our beginning farmers were and, you know, basically anybody who has not operated more than ten years and doesn't own a farm greater than about 30 percent of the county average in their respective area and they meet our eligibility requirements and all that kind of stuff. You know, we consider them to be beginning farmers and the thing is, really the designation of beginning farmer is just one more so for funding purposes. There are some caveats that allow them as beginning farmers and some caveats that allow veterans to do things a little bit differently, but for the most part, our program is very cookie cutter in that everyone uses the same application, whether you -- no matter what you're asking for is typically the same application. There is a micro loan application, it's for \$50,000 dollars or less, but in general, you know, the agency does things to help the beginning farmers and get them, you know, moving along. There are some exclusive things, like the down payment program, which is a real estate initiative, and then there are some other things that allow beginning farmers, in terms of eligibility, to not have their term limits count against them, veterans as well. And so there are some similarities between how the agency views veterans and how the agency views beginning farmers and ranchers, but the thing that you basically have to, you know, a lot of people get confused, but the main thing is beginning farmers or ranchers or veterans, we're talking about a pool of money and it's more about the backside of it. The processing and our in-house stuff is pretty much all the same. There are some -- You know, all the same as anybody else.

The main thing is there are funds that are reserved until September 1st for beginner farmers and ranchers and when funding is exhausted, some veterans have a preference, you know, in terms of being funded. Military service does allow for one year of eligibility and that kind of stuff, so that gives -- that gives you, in some instances, the veteran has a preference because they only need to have two years of eligibility if they were trying to buy real estate or whatnot. You know, so there are different caveats, but those things should not be confused as their own program. Those are -- those are things within our overall formal loan programs that allow people in those designations, either beginning farmer or rancher or veteran, to have certain benefits, to help them get going. The micro loan is the \$50,000 dollar loan. It has a mentorship requirement that allows people that have not necessarily gone through an entire production cycle to get up to \$50,000 dollars to do what they want to do. You know, obviously, attempt to do some sort of agriculture endeavor or whatnot. This program is probably where beginning farmers and ranchers are most likely going to start with FSA because FSA traditionally has been built for individuals who already have some sort of production history and the process was, you know, a lengthy one, but it really was to designate that you had the experiences.

One thing I did want to point out, though, that is a by-product of this -- This committee is the SCORE program. The SCORE is basically a mentorship program that matches business

professionals and entrepreneurs with beginning farmers and kind of mentors them through the process of starting up and maintaining their business, but the thing I kind of wanted to point out is it was a recommendation of one of the previous beginning farmer/rancher advisory committees that actually got this thing kicked off and so I point to that to say that all is not lost. When recommendations are made from committees like this one or councils like this one because we do eventually get to the point where we're able to enact some of those things. So I thought that was deserving of its own slide just briefly there. Borrowers training, there are opportunities there, but I'm going to kind of pass through some of that to kind of give you some basic ideas of what we did and then a couple other quick things and then I want to jump on some COVID things really quickly and then we'll get that one. One thing, beginning farmer/ranchers, and I've kind of used BFR throughout here in the interest of space, there were, between the guaranteed and direct programs, 18,354 obligations in fiscal year 2019, which equates to about \$2.7 billion dollars. So the beginning farmers are using the program. The flexibilities that were there previously are the same flexibilities -- are the same flexibilities that have always been there, but in the time of COVID, you're just -- how you interact with the office would be different and that kind of thing. So all right. So I'm not in control of the chat thing. It popped up right here again. Let me try to throw that to the side so I can get it -- All right. And so the veteran loans, I wanted to point out that there were over 1,000, \$450 million dollars in fiscal year 2019. Also, just as a point, as a whole, direct dollars delinquent for the entire portfolio, we only are about 5 percent, so even though it's a higher and more risky loan, you know, we're only looking at maybe 14,000 or so, maybe closer to 15,000 in terms of loans that were considered delinquent at the time of this last reporting. And so our total loan volume in 2019 was right there at that 5.7 number, but our direct portfolio is over 88,000 borrowers with \$12.7 billion dollars.

So I wanted to kind of point some of those things out in terms of the volume of the program and I'll skip through some of these accolades to kind of get to -- and I hope everyone can see that, it is going to be a little bit small. This time -- This is a comparison slide because that's what a lot of people end up asking, so fiscal year 2019 as of April 30th reporting period and fiscal year 2020 at the April 30th reporting period, you'll notice that there's a percent change in every statistical category, whether it was direct OL, guaranteed OL, direct FO's, which are formal ownership to buy property a guarantee, except for emergency loans, which we haven't had a designated emergency, and we have to date, COVID has not qualified for the -- hasn't met the requirements to initiate the emergency loan protocols. And those are pretty convoluted, but the loans that are available right now, we have money to do and give out loans right now and our staff is there and available. Anything that could be done without an emergency declaration can still be done now, so don't let that particular line fool, you know, bother you or fool you or whatever. But anyways, I wanted to point out that there's about a 60 percent increase in total program usage right now in terms of the number of loans, as well as a percent change of around 46 overall and so if you'll notice that this time last year, we had less money out the door. This year, we've had two months of COVID protocol in place roughly where people are learning how to do their jobs again and still, we're able to get the money out the door, so don't -- COVID has

not affected the ability to move the funds and so that's the thing I wanted to stress with that. There are some other things, and I'm actually not going to get into the -- this is some of the stuff that we had in terms of guaranteed lenders and preferred lenders and when I was preparing for a conversation in Kentucky that was specific to the request and feedback we received, but I wanted to point out just briefly in closing, our employees are finding a way to get it done. They're going to ask you to bring your own pen, though, just know that, but, you know, and they've been given instructions on how to do the business that we're doing in a new way, but, I mean, COVID has actually progressed FSA in a way because now, there's acceptance of faxed and scanned signatures with the exception of certain legally bonding documents, but all agency forms and that kind of thing, and they've given us some flexibility overall in terms of repayment terms and --

For instance, our annual loans typically are scheduled for anywhere from 12 to 18 months, right, but right now in the COVID period, the flexibility in the COVID guidelines that have gone out to our field offices allow them the ability to go beyond 18 months, which is pretty much unprecedented, and then it gives them some exceptions about how long they can go up to. And so those type of things really have shown that, you know, in terms of planning prices, our states have been authorized to continue to use commodity planner prices that were already approved for the current year to give people the best opportunity, even though we know those prices, commodity prices for picking those plans, are going to be extremely volatile, those income assumptions that we can make off based off the projected plans will still allow people to get in the game and continue to farm and potentially have a budget that would work. And so those are some of the things. There's a 30-page guidance out that our offices are following and our protocols that our offices are following and so there's also been, and I'm not sure that it's actually -- I think there was an announcement -- There should have been an announcement earlier today and I wasn't on that call, but there -- we're supposed to be doing something with existing borrowers, where we have the ability to do a DSA or a debt set-aside, payment of those people qualify based off of some of the things that happened with COVID. So I see that my chat stuff is pretty deep there, so I'll take a minute and read that stuff, but at this time, I will yield back to the chair.

JASON BRAND: All right. Thank you so much, James, and Jody as well. That was great. Yes, James, there are questions for you coming up on the chat room and then we'll deal with other questions for FSA, I guess, after I post this call. Right now I want to schedule and introduce a very special guest. This is the USDA Deputy Secretary of Agriculture, Mr. Steve Censky, so thank you for joining us.

STEVE CENSKY: Yeah, well, thank you and it's a pleasure to join all of you here this afternoon. I appreciate that very much and I just want to say I really appreciate the work that this advisory committee does. It's really important to our personnel on how we can better serve beginning farmers and ranchers and so your work is very important and appreciate the work that you have done. I know that you're getting a good update from some of our folks here this afternoon and I appreciate that very much. I did want to go ahead and say I know one of the things. I know Secretary Purdue sends his regrets that he wasn't able to be you here this afternoon, but one of the things that he wanted to share with you all is again, that appreciation for the work that you do, but also one of the charges that he had is I know one of the recommendations that this advisory committee had made to us at USDA was that we -- or encouraged us to develop a consistent definition across the department and our programs on beginning farmers and ranchers and I think that's one of the things that we wanted to ask you all, as this advisory committee, to provide a recommendation to us. Again, we would be interested in, you know, your recommendation on what that criteria should be, how the current -- some of the definitions across our programs. You know, in some cases they are statutory and so we may not be able to change them immediately, but some are through regulation or other means that we have definition of beginning farmers and ranchers and I think we would be interested very much in getting this group's recommendation on how to define that.

I did want to say just a few things before maybe I open it up for any kind of questions and that is that -- to -- that I would -- You know, we have been working very hard throughout obviously the COVID-19 situation and the pandemic trying to adjust our programs to see how we can try to help the agriculture community overall and that includes, of course, our beginning farmers and ranchers. You're aware of what we're -- what we have been doing across the department, but first of all, adjusting a lot of our feeding programs so that we can feed school children, granting waivers, increasing SNAP benefits, implementing pandemic SNAP, implementing and really encouraging states in having and improving their applications to offer SNAP on line as well. Obviously, we are working very hard to provide with the supply chain disruption that occurred and you're aware that a few weeks ago that the president announced the \$19 billion dollar program for our Coronavirus Food Assistance Program that really had two components; one is direct support to farmers and ranchers, \$16 billion dollars, and then a \$3 billion dollar food box distribution program and, of course we implemented the food box distribution program, kicked that off last week and so that program has started. And then today, just today, we announced the details of our direct payment program to try to help farmers and ranchers and those details are available on our website and we just got the clearance from the Office of Management and Budget on that rule and so we look forward to implementing that program just as quickly as possible. Sign up will be next Tuesday right after Memorial Day on May 26th at FSA offices and, you know, you can -- farmers and ranchers can go there, Start to -- You can take a look on line on what kind of documentation you'll need, but once again, we want to try to get this assistance out to farmers and ranchers just as quickly as possible because we know that farmers and ranchers, including beginning farmers and ranchers, have been particularly hard hit by this

supply chain disruption, the drop in prices that has occurred across many commodities, and to try to provide some level of assistance.

On the direct assistance, we are providing, you know, utilizing the funding that Congress made available to us. Congress made available \$9.5 billion dollars for direct assistance, plus knowing that that wasn't going to be enough, we've added to see how much money we had left in our Commodity Credit Corporation as well, basically another \$6.5 billion dollars, so for a total of \$16 billion dollars, and we are implementing that program and, you know, we'll work with Congress. Should Congress make more funding available, we'll be working to try to implement it and get the funding out there quickly to try to assist farmers and ranchers because, you know, agriculture has been hit hard by this. With that, I may stop and be happy to address any kind of questions that folks may have. I may not know all of the answers. They call upon some of my colleagues that are on the line as well to help with some of those.

JASON BRAND: All right. Thank you, Mr. Deputy Secretary. I guess one thing, everyone is on mute just for ease of this conversation, so for those with questions, if you type them, we'll read your name and then the question and that way, we'll be able to get the question to people without upsetting the mute button catastrophe. But ahead of that, thank you so much for giving us comments and asking for a recommendation on the definition of a beginning farmer and rancher. That definitely was something the committee was discussing as we went through our own deliberation and found each agency had a slight twist to it, whether we'll dealing within the USDA or all the way to the IRS, so we will come up -- we will begin our working groups and come up with a great recommendation for you. Great. With that, Committee, if anyone has a question and you want to type it down, type into the chat box. We'll be able to read it out. Mr. Censky, people are typing right now, if you could just give them one minute.

STEVE CENSKY: No worries. We also hope, I should say, I see we have the first one here, I - - and everyone can correct me if I'm wrong, Jason, everyone can read the chat, correct?

JASON BRAND: Everyone can read it, so as long as you can see it, you can -- you can --

STEVE CENSKY: Okay, great, our question, thank you, Adam. Let me just read through this. Yeah, so thank you, Adam, for that question. Can I speak about the progress on foreign markets? We had been continuing to work on market access issues and try to expand export demand, even while, you know, dealing with the pandemic. Obviously, that's having some impacts on demand around the world, but we've continuing to make progress. One area that I should say that we've actually started active negotiations, it started within the last couple of weeks with the United Kingdom, for a new trade agreement there and so that's underway and we're meeting actively there. We, of course, have been moving forward with implementation of the U.S./Japan free trade agreement that kicked in at the beginning of the year, the beginning of January. We have also been working very hard, of course, on China and that China Phase One trade agreement that just kicked off in early January as well. We have completed a lot of the

Chinese negotiations to complete -- remove some of those market access barriers that were affecting the number of commodities and we've been resolving those and announcing those, so those discussions with China, more approval of processing plants, export facilities in the United States to be able to export to China. And so we've been -- we've removed a lot of those market access barriers that were really the thorns in the side of trade and really frustrating trade. We've also been monitoring and been encouraging China to move forward with their purchases. As part of that agreement with China, you will recall that they not only committed to reduce and to eliminate a lot of existing market access barriers, but they also agreed to step up their purchases from the United States and so we are -- have been encouraging China to step up, to encourage them to import \$36.5 billion dollars-worth of U.S. agriculture commodities. They have a long way to go. They're going to really have to step up their purchases from the United States over the next -- this remaining quarter and the second half of the year and we're encouraging China to do that. We've seen some signs of that. You know, they have stepped up their purchases of a number of commodities, Here recently, of course, they've been stepping up their purchases of a lot of the livestock products, pork, beef, even poultry, and -- but we also want to see them step up across the board, whether it's on, you know, bulk commodities, whether it is on specialty crops, and so we're very hopeful, but we're remaining to really push them and say that they need to live up to their obligations.

Let's see. I see one from Julie about the assistance and calculating the assistance based on prices and don't reflect some of the price premiums. Well, number one, absolutely I will say that obviously farmers that are selling into direct markets are able to participate in the program and so they'll be able to receive assistance, but we just are not able, given the size and the scale and the pace of which we've had to implement this program, to, you know, develop price series for direct markets versus, you know, normal market channels, premiums for organic versus non-organic, things like that. That just wasn't possible to do across the whole range of commodities in the time period in which we were being asked to provide this assistance to farmers and ranchers.

Looking at the next question from John Bailey about expanding the capability of the -- capacity of the state beginning rancher and farmer coordinators to full-time FTE positions and that's something I know we are taking a look at where possible, we're trying to see how that can be better, you know, supported so that we can expand the amount of time because we know that it's important. We -- And so that's something we're working on right now, but it's also that we have to balance, you know, the overall workloads and the overall staffing that we have available to implement the total programs and -- but it is something that I'll tell you that, you know, we do want to, you know, see how we can expand even more and more of the time so that they are dedicated to those outreach efforts to assist beginning farmers and ranchers as we move forward.

Next question is from Kimberly Graham, that AMS will work with regional and local distributors to support direct marketing, and that is one of the things, and I guess that goes back a little bit more to Julie's question as well, where AMS is there to try to assist, especially for our

specialty crop producers. They're going to be working very closely with our farm service agency staff and so AMS is available to work with those farmers and ranchers that are working with the local food distributors and just try to help support that direct marketing. We're also hoping and wanting as well to work very closely there, you know, through the food box distribution program so that those folks that we are contracting with under that program to deliver a box of produce, a box of meat, a box of dairy products can be -- that can be able to work with those farmers and ranchers that were supplying the local markets as well.

Let's see, a question here from Adam Brown, young beginning farmers have a heavy debt load, is there appetite for deferment on the loans. I don't -- We have folks here, you know, from FSA. I don't know whether someone from FSA wants to jump on and address that. That is something that we do have, that capability in some cases, to try to work to restructure. That is something as well that is we are working with Congress on the next round of assistance on their, you know, Coronavirus Assistance Program Number Four, that we are working, that we have identified across the department. You know, what are the needs going to be out there and certainly working in the farm service agency, we have identified the need for both additional funding as well as the funding that would be associated with some of the deferment. But I guess I will -- I see that we have someone say that the debt set-asides are being considered. We do have some of those flexibilities, you know, in place and so farmers that need that assistance should talk to their local FSA office about that, where they have the loans, and talk to them about what kind of flexibilities are available to try to assist them.

I see we have Anu one saying that their small-scale producers are selling out of product, lack of inspected slaughter facilities, what about changing federal regulations to allow for state-inspected facilities to process meat for direct sale. I think the question would be -- I mean, we do have state-inspected facilities that are able to -- that are able to sell within state, but I think the question that we have been having is what about allowing those state-inspected meat facilities to sell across state lines or into retail that moves across state lines and that's something that we do not have the legal flexibility to do and also, frankly, we have some concerns about because we do have a federal meat inspection requirement. We do have requirements under our international obligations, our ability to export products to many countries around the world. It's applied to our federal standards and so if we don't have a state inspection program that is identical to our federal inspection, that would call into question our ability to export around the world and I don't think any of us would want to lose that.

Seeing the next one from Sanaz, yeah, once again, that is something that we did as we were developing this program to see, you know, how could we implement a program nationwide, deliver assistance quickly, utilize price series that are available through our prices, either through AMS market news sources or that where there are established markets and we had to utilize basically, you know, what was available and what was going to be, you know, allow us to administer, allow us to develop software, computer software, to be able to implement it, and, you know, just this is, as you can imagine, it is a hugely complicated program and, you know, we had

to be able to utilize, you know, basically existing price series. We do have the ability, once again as the producers, working to show what their losses were, you know, to work with the Farm Service Agency and the Agriculture Marketing Service to support documentation that shows what their losses were, what their sales were, and so we just encourage to work through the application process to provide whatever data you can to allow us to provide that kind of assistance.

The next one from Alan Hoskins, temporary increase in the guaranteed loan amount. I'm -- You know, we just -- The Congress did just increase the loan amounts in the last Farm Bill and so that change has been implemented. Me -- To my knowledge, I don't believe we have the authority at USDA to increase it, increase the loan amounts over what have been set in the statute by Congress. I think that would have to be a congressional change to further increase those loan amounts.

I see Julie has a question. Can FSA use the disaster set aside to help farmers impacted by COVID or is a change needed by Congress? I don't know. The answer to that, I'm sorry, I might need someone from FSA to answer that one. I don't know the answer to that one, Julie.

I see that the answer is yes, FSA can.

JASON BRAND: With that and being respectful of your time because I think the Committee can probably keep you in question mode all day, we sincerely thank you on behalf of, not just beginning farmers and ranchers, but all farmers and ranchers for all the work that you guys are doing in the midst of this crisis, trying to keep everybody funded, opening up new markets, and allowing the pivot in American agriculture to occur as we kind of get through the crisis. So I sincerely thank you for everything that you are doing and we will follow up with your shortly with regard to the definition and other ideas that we continue working on.

STEVE CENSKY: That's great. Thank you very much, Jason. Thanks again for the work you and the entire committee are doing here. I look forward to your input and thanks. It was a pleasure phoning you today. Thanks for your good work. Bye-bye.

JASON BRAND: With that, let me introduce Sarah Campbell, the National Beginning Farmer and Rancher program coordinator. We've already made reference to the FPEs in our first -- and desire for more FPEs and Sarah, I guess, will be able to address that and more. Sarah?

SARAH CAMPBELL: Hello, everyone. Can you all hear me?

JASON BRAND: We can and if you can type, everybody, yeah. You're getting lots of yeahs.

SARAH CAMPBELL: Great, thank you. I'm not quite sure how to pull up my slides here, but just I'll give a quick introduction. Thank you. Oh, here we go. What I wanted to talk about

today is a quick overview and an update on how the implementation of the state coordinator program is going that was outlined in the 2018 Farm Bill. I think last time you all met, I was not yet on board and that was in progress. Thank you, everyone. So my name is Sarah Campbell. I'm the National Beginning Farmer and Rancher coordinator for USDA, so I am helping lead and coordinate all of our beginning farmer efforts across the department as well as overseeing the implementation and roll out of some of the 2018 Beginning Farmer and Rancher program pieces with state coordinators being the big one. So an update on that, everyone has been selected. There were, at the end of the year, a few retirements and folks have changed jobs so we have found replacements for those who vacated their position, so now we have coordinators for every state in the U.S. territory and their information has now been published on line. So we keep an accurate or the latest version of the roster of state coordinators on our farmers.gov/new-farmers and on that website, we have also a downloadable file, so if folks want to download that and print it out or distribute it. There is sort of a PDF distribution-friendly document. So in addition to the state coordinator, which was outlined and mandated in the Farm Bill, we have asked every agency to basically appoint what we're calling a champion at this state level as well. So the state coordinators are coming from FSA and RCS, RMA, MRD, and we wanted -- but there's only, you know, one state coordinator for each state so we asked the agencies if they're not hosting that position to identify a champion from within their state office who can liaise with that, so basically we have teams of state office employees with the state coordinator serving as a lead so they have a liaison and kind of a point of contact. What we've been focused on lately is training and resource development, so we've done virtual training so far. They've had a couple of kick-off meetings. We have monthly meetings and we're working on cross training and getting them additional content. There was an in-person training that has been postponed to the pandemic, but has been approved, so we're just going to be looking for, you know, rescheduling that and figuring out when we can get all of the coordinators back together and when, you know, non-essential travel will be authorized. So that has been slightly delayed and then in the interim, we're focusing on really having robust virtual and digital training and materials developed for them. They are also being mentored by our regional coordinator, so we have beginning farmer and rancher regional coordinators. They've been in this position since 2016 and they have largely been doing similar work as the state coordinators will be doing, but they've been doing it full time as they are full-time beginning farmer specialists. So we are dividing the country up into regions and they are sort of serving as a resource and boots on the ground, as well as mentor through these new coordinators.

Coming up next is continuing that Farm Bill implementation and getting states to actually draft a beginning farmer and rancher program education and outreach plan and identifying targets and some metrics for every state. We are trying not to be too prescriptive in this because I believe that the state coordinators know their states, they know their programs. Every state has a unique need and what we're going to ask them to do is identify some goals and strategies to reach them and then that will be what they report on annually. We're also working in the development of some new outreach materials as well. So the role of the coordinator, I'm just going to go over it

quickly to make everybody is familiar, they are getting a lot of beginning farmer support in outreach. Our goal is to increase awareness, to bring more farmers to USDA, particularly beginning farmers who may not be familiar with what programs and resources. They will be provided technical support, so helping beginning farmers navigate USDA, working with them one-on-one, connecting them to their local offices, making referrals if they're not necessarily program ready and need additional resources, like maybe they need to be referred to an extension or SCORE so they can get help writing a business plan or getting some more production experience, technical expertise. They will be leading the planning and reporting, so adopting the state plans and reporting on them. They have been tasked with stakeholder support and engagement. We want them to work actively with our partner organizations in the beginning farmer and rancher service providers in their communities. I have encouraged them to take a very grassroots community-based approach and to really leverage the organizations in their region and build those relationships. They're also leading collaboration across agencies so we're not operating in silos and the agencies can establish goals and coordinate on beginning farmer outreach and delivery. So broadly, right now our defining success are collaboration and communication, so sharing of information, both across the USDA agencies at the state level and the local level, as well as the stakeholders, increasing awareness, so making sure that our partner organizations have the latest information about our programs and can help amplify our messaging, as well as more beginning farmers are aware of the resources and programs that we have, and then developing some truly meaningful measurable outcomes and finding out what metrics we can really track.

And then my colleagues from FSA spoke about this a little bit, but I wanted to make sure that we kind of cover some of the program delivery modifications that are happening right now due to the pandemic. So as you know, field offices are operating by appointment. Everybody has to call and make an appointment. They are doing virtual and digital as much as possible, so accepting stamped signatures on documents, you know, emailing, phone support. Local offices have drop boxes so people can drop off documents and materials as needed. We're really just trying to serve everyone remotely. FSA, you know, currently has loan funds available through its regular lending programs to help producers meet their needs during this time and they are, as James said, continuing the operations and program flexibilities basically on a weekly basis, so figuring out what we can do on-line, what we can do virtually, and just trying to adapt and really be as flexible as possible. CFAP program sign-ups will start next week. Since we didn't have time to have someone from NRCS on, I wanted to talk a little bit about what they're doing as well. Similar to FSA, you know, they are being as flexible as they can, trying to practice delivering programs safely during this time, so their local offices, they're really empowering local staff to troubleshoot and make adjustments so that if land owners need to address timelines or need help, you know, for implementing conservation practices, they're really working with them on a case by case basis. We do have an emergency animal mortality management practice and there's more information that's on-line. I'll post the link in the chat box, but funds are available to help producers with finding the population and beginning farmers are eligible to receive a higher

payment rate, so producers that are being forced to dispose of livestock due to some supply chain issues can get some financial support from that. Some of the NRCF programs, such as EQIP, they're holding on adverse actions, so if producers are experiencing delays in implementing practices due to the pandemic, they are basically -- the agency is not taking any adverse or punitive actions on that. They, like FSA, are increasing the number of signature flexibilities, accepting scans or taking information by phone or filling out forms and, you know, and just plan to have them sign later when offices are open. They are trying to combine activities that can be conducted in the same site visit, so instead of making multiple trips into an operation, trying to get as much done at once as possible. Those are the types of flexibilities and things that offices are doing locally to continue to deliver programs and if you have any more questions about that, please let me know and I can get answers on that, but, you know, we are still operational, we're still delivering, and programs are still available for beginning farmers and ranchers.

JASON BRAND: Great, thanks for that. Real quick, if anyone has a question for Sarah, do you want to type into the chat room? Sarah, welcome to the position. I think this committee is very excited by the position and really, I think as time goes on we'll have ideas to help you grow and further coordinate it. Already today you kind of saw Michael O'Gorman talk about wanting mentorship for veterans and then you have the FSA talk about the SCORE program, so there's already a -- just there, you can see that there's more of a need for reach-out and education within the community for programs that exist and the needs that exist.

SARAH CAMPBELL: Yeah, I'm getting a question here about the coordinator and it looks like they're asking if it's a separate position and it is still at this time a collateral duty that state office employees are holding. The agencies would have to be given additional FTEs and like a lot of those by the department essentially, is my understanding, for that to be a full-time position. So it's still currently a collateral duty and I think some employees have more bandwidth for others. We're really kind of doing our best and trying to just leverage the resources that we have.

JASON BRAND: All right. Well, thank you so much, Sarah. I really appreciate it and I guess we'll be in touch later with more. Let me introduce Gary Matteson, Senior Vice President of the Young, Beginning, Small Farmer Program and Outreach from Farm Credit Services. Gary

GARY MATTESON: Thank you. Well, I really appreciate being with you today. My name is Gary Matteson. I work for the Farm Credit Council, which is the trade association for the 68 independent farm credit lending cooperatives across the country and my job is all about programs for young, beginning, and small farmers and just to a topic you were speaking with the Deputy Secretary about earlier, as you think about what you all recommend to the Secretary for a definition of a beginning farmer, you may want to consider Farm Credit's definition of a beginning farmer and that is as a person who has ten years or fewer in a management position. Those ten years would not count time spent in a 4-H or a high school FAA program, since the beginning farmer would not be a farm business management position and for Farm Credit's purposes, we can also consider the beginning farmer entering management when they take out a

farm business loan on their own or with a cosigner. So with that, what I'll be speaking about today is the effect of COVID-19 on a particular kind of farm business, farms that sell local food and products direct to retail, such as farmer markets or on-line sales or CSA sales. Obviously, COVID-19 is impacting many, many other types of farms, but this is one type of farm which many beginning farmers start at and also is a fairly bright spot in agriculture right now. So here's my main point right up front; simple business planning allows farmers to establish clear goals for inputs such as time and money and also sets clear expectations for sales and profitability. I have only a few minutes for this presentation so I'm not going to talk about the nuts and bolts of business planning. Instead, I'm going to share some ideas on what farmers who are selling through direct retail marketing channels may want to think about in terms of how they can respond to interruptions of their normal business due to COVID-19. There we are. First of all, this is an exciting time for local food farmers. They have the opportunity to help their customers respond to changes in their lives. Direct retail farmers can do good in their communities that really nobody else can do. The best advice I can give farmers looking at how to respond to changes due to COVID-19 is to say plan for success and to plan when approaching new markets. One of the hardest things for a small and midsize farmer to do is to determine their business capacity and what I mean by capacity is that a farmer knows how much time and money it will take for them to do different tasks, like growing, harvesting, planning market access, market preparation, and selling and delivering. Estimating business capacity helps farmers understand what tasks they should do with their available time to be efficient and profitable. Farmers should be sure to define their business capacity in terms of dollars of expense and income.

So when faced with changes in business, farmers can't just hope for the best. They need to plan what resources they need to commit. What you're looking at is just an example of an annual cash flow budget. So you can see that there's income and expenses planned on this and way down, there's a bottom line that says how much profit I'm going to make. It's not a plan to just say I'm going to increase on-line sales. An example of a real plan might say I will increase on-line sales by 20 percent and that means increasing my costs by 10 percent and that means increased sales on my farm of \$26,000 dollars. That's getting specific and when you have specific goals, you're much more likely to achieve them. If a farmer's going to increase their on-line presence, they need to consider not only the dollar cost of accessing a particular on-line sales platform, but also they need to think about how much time it will take to sign up and use the platform because it's all about how a beginning farmer manages their time. For local food producers who already have direct to consumer relationships, logistics is the new determining factor of success or failure and effective logistics, the moving of product, is all about planning. Poor planning of routes, deliveries or pick up arrangements for new customers wastes time and cost money. We know that consumers more than ever want local food. Nationwide we've seen huge growth in direct to retail sales that makes this really a bright spot among farm businesses. For the past few years, I think local producers may have thought their problem was finding new customers, but now it may be figuring out how to deliver to all those new customers. I know of a large CSA

that was signing up five to ten new customers a day in the month of March in response to the COVID-19 crisis. That's a fantastic increase in sales, but without planning, that kind of increase can create logistics problems that demands understanding of operational capacity. Logistics is likely to be the biggest new drain on local food producers' time, not to mention the man hours necessary for additional preparation time, packaging, and clean up. This affects both small scale and large scale direct to retail farms.

Local food producers -- where's my slide going here -- Local food producers should plan for more changes in the future. If the economy opens up, what do you think will happen? I really don't think it's likely, but farmers markets are not going to look like this crowded sales tent anytime soon. People's buying habits, consumer buying habits, have changed for the near future and may have changed for a long time into the future. The uncertainty of knowing what will happen next will lead some farmers to inaction. Local food producers' restaurant-based customers, their wholesale customers that run restaurants, may come back as restaurants start to open. CSA customers may migrate back to farmers market sales. Whatever happens, farmers need to be flexible to follow their customers and make the most of opportunities. If farmers expect their restaurant wholesale customers to come back, they may consider holding off somewhat on selling more CSA shares, recognizing their farms' capacity, their limits on how much they can produce and grow and how much they can deliver. Planning is the way that a direct to retail farm business can define its capacity, leading to satisfied customers who will be loyal in future seasons. It's better for farmers to think in terms of using the things they already have to respond to new opportunities rather than thinking about buying lots of new equipment to meet a particular market that may shift away once the COVID-19 crisis is over. For example, farmers may want to plan for a shorter crop turnaround like micrograins or other quick-growing crops so as to be able to make the most of marketing channels that open up as the COVID-19 situation shifts. This really is an exciting time for local food producers if they keep themselves grounded by rising to the challenges they need to make in production and marketing. Farmers should embrace the vision that they and their farm operations are helping people, helping their neighbors respond to changes in those neighbors' lives. The whole world has changed and direct to retail farmers will have to make new business plans for next year. My advice to farmers is to get good at planning so that you can thrive in a changing environment and hopefully that gets us that closer to on schedule. Jason, I will hand it back to you.

JASON BRAND: All right. Thank you so much, Gary. We are right on schedule, so great job by everyone in regard to time management. There's a lot of information was just given to us and I think Gary's message of planning is one that all of us need to take it to heart. I guess the big overarching question that we may have as a committee which is what changes that have been made due to COVID are permanent versus temporary. That, to Gary's point, will kind of help farmers, certainly beginning farmers, begin that planning process.

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