

April 13, 2020

The Honorable Jovita Carranza, Administrator
U.S. Small Business Administration
409 3rd St, SW
Washington DC 20416

Dear Administrator Carranza:

On behalf of hemp farmers nationwide including more than 17,000 licensed family farmers who grew hemp in 2019, we, the undersigned organizations write to urge you to ensure that in the face of the COVID-19 pandemic, farmers are eligible for key Small Business Administration (SBA) programs, especially the Economic Injury Disaster Loans (EIDL) program.

Farmers are experiencing significant headwinds and instability as a result of the COVID-19 pandemic and must be able to access disaster relief programs that can support them now.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed on March 27, 2020 to address the negative economic impacts resulting from COVID-19 infections as well as social distancing measures necessitated by the state and federal response to the pandemic. The CARES Act includes several provisions to support small businesses facing strong economic challenges as a result of the current crisis.

We are deeply concerned that SBA is not currently considering family farmers including licensed hemp farmers, and most agricultural enterprises as eligible enterprises for the Economic Injury Disaster Loan (EIDL) program. Section 1110 of the CARES Act expands eligibility for the Economic Injury Disaster Loan program and creates an emergency grant program. We believe it was congressional intent to include in that expanded eligibility farms and other agricultural enterprises.

It is our understanding that most "agricultural enterprises" are historically excluded from the EIDL program in order to avoid duplication of programs from other federal agencies such as disaster assistance from the U.S. Department of Agriculture (USDA). However, the disaster relief programs offered by USDA are normally only related to natural disasters. There are not currently any disaster programs available to farmers from USDA made available in response to the COVID-19 pandemic.

We are thankful that USDA has just issued guidance confirming that agricultural enterprises are eligible for the Paycheck Protection Program. This is a helpful first step to support farmers struggling due to disruption of sales from COVID-19.

We urge SBA to clarify that agricultural enterprises are eligible for the EIDL program as well as the emergency grant program. We also ask that SBA issue clear guidance confirming that agricultural enterprises are eligible for other SBA

programs included in the CARES Act. We request that this guidance also be provided to SBA regional and field offices where farmers will undoubtedly inquire.

Farmers and rural communities are essential to the food and energy security of our nation. Family farm businesses are relying on SBA to help them stay afloat during this time of heightened market unpredictability and economic hardship. The families that run these businesses cannot afford the further unpredictability of uncertain SBA program access.

Thank you for considering our request. We look forward to hearing from SBA regarding this matter.

Sincerely,

Eric Steenstra
President
Vote Hemp

Ola Lessard
President
U.S. Hemp Roundtable

Caren Wilcox
Executive Director
U.S. Hemp Growers Association

Rick Trojan
President
Hemp Industries Association

Patrick Atagi
Chairman
National Industrial Hemp Council

Justin Swanson
President
Midwest Hemp Council

Ken Elliott
President
Hemp Feed Coalition

Andrew Bish
President
Nebraska Hemp Industries Association

CC: The Honorable Sonny Perdue, Secretary, U.S. Department of Agriculture