

Congress of the United States

Washington, DC 20510

April 10, 2020

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

Dear Administrator Carranza:

We write today to urge you to ensure that the new loan programs in the Coronavirus Aid, Relief, and Economic Security (CARES) Act are available to agriculture, as Congress intended. The impacts of COVID-19 are affecting many small businesses in Pennsylvania, including America's farmers. At the same time, many families across the Commonwealth and the Nation are facing an economic crisis and struggling to put food on the table. We urge you to take immediate action to ensure critical aid to farmers during this time when a stable and reliable food supply is more important than ever. Agriculture is Pennsylvania's top industry, and it is essential to ensure the new programs you are implementing include our farmers, rural businesses and cooperatives.

Section 1110 of the CARES Act creates new eligibility requirements for an Economic Injury Disaster Loan (EIDL) program for COVID-19 for a limited time. Specifically, section 110(a)(2) of CARES expands eligibility of the previous EIDL program by specifically defining eligible entities. While we recognize that farms were not eligible for the EIDL program under the previous program, Congress ensured that the new definition does not explicitly exclude farms, intending farms to qualify provided they fit within one of the specific criteria for eligibility. Pennsylvania's farms are small businesses that are essential to the Commonwealth's economy. Given the intent of Congress and the modification made in statute, we ask you to immediately adjust your existing guidance to allow agricultural businesses and farms to apply for the new COVID-19 EIDL program if they meet the criteria of one of the eligible entities.

Additionally, Congress also expanded eligibility for the new Paycheck Protection Program beyond the current scope of section 7(a) of the Small Business Act to include any business, including agricultural businesses and farms, with less than 500 employees. This eliminates other limitations based on receipts under the previous 7(a) program. In order to ensure this program truly works for Pennsylvania's farmers, we urge you to provide additional flexibilities, including alternative payroll calculations for sole proprietors who had taken little to no actual salary over the recent years or have no meaningful monthly payroll expense. Additionally, while we understand that H-2A agricultural workers are not included for payroll purposes, we urge you to provide additional clarifying information as to whether these workers should be counted towards the total number of employees for the purposes of the program.

Thank you for your work implementing the provisions included in the CARES Act and for considering our recommendations. We urge you to quickly implement these important loan programs to benefit Pennsylvania's small businesses, including those involved in agriculture and food production.

Sincerely,

/s/ Robert P. Casey, Jr.
United States Senator

/s/ Brendan Boyle
Member of Congress

/s/ Madeleine Dean
Member of Congress

/s/ Susan Wild
Member of Congress

/s/ Dwight Evans
Member of Congress

/s/ Mary Gay Scanlon
Member of Congress

/s/ Conor Lamb
Member of Congress

/s/ Chrissy Houlahan
Member of Congress