



April 9th, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Charles E. Schumer
Minority Leader
United States Senate
Washington, DC 20510

Dear Majority Leader McConnell and Minority Leader Schumer,

The American Sheep Industry Association (ASI) appreciates the steps you have taken to address the COVID-19 related impacts on the livestock industry. Our economists estimate America's sheep farmers and ranchers have experienced a \$125 million loss at the farm level, with a potential total impact in excess of \$350 million. The funding you have provided to the USDA to address this unprecedented impact through the \$9.5 billion for livestock and \$14 billion to replenish the Commodity Credit Corporation will go a long way towards helping rural America recover, however, we fear it will not cover the needs of the various impacted commodities. We look forward to working with the USDA on the development of a program that allocates these funds in an equitable manner that reflects the ongoing COVID-19 and China trade war related to economic losses impacting our farmers and ranchers.

Additionally, the Paycheck Protection Program (PPP) has offered hope to many of our producers as a possible option to help bridge the gap during a time when few other options exist. As many sheep producers looked to the PPP to offer some relief at a time when they are struggling to make payroll, guidance from the Small Business Administration makes eligibility dependent on an employee's principal place of residence, a term which was undefined by the CARES Act. Unfortunately, current interpretation has rendered this program ineffective for a large portion of our membership due to the unique challenges of our industry and the specialized skillset required. Specifically, over one-third of the nation's ewe and lamb flock is cared for by a legal H-2A guest worker. For many of our producer members, these H-2A guest workers make up the entirety of their payroll. Not allowing the contributions of these vital H-2A workers in the wage calculation of the PPP renders its utility to many of our producers' moot. Accordingly, we would ask that H-2A guest workers be included for purposes of program eligibility. These employees are an integral part of our nation's food and fiber production, and the farmers and ranchers who spend considerable resources to employ them deserve certainty in these challenging times.

Thank you for your consideration of these issues and your leadership. The American Sheep Industry commits to working with you to ensure our nation's continued access to safe and abundant food and fiber.

Sincerely,

Benny Cox, President
American Sheep Industry Association