



National Association of State Departments of Agriculture
4350 North Fairfax Drive
Suite 910
Arlington, VA 22203
Tel: 202-296-9680
www.nasda.org

February 8, 2021

Mr. Kevin Shea
Acting Secretary of Agriculture
U.S. Department of Agriculture
14th and Independence Ave, SW
Washington, DC 20250

Dear Acting Secretary Shea:

I write to you today regarding funds made available in the Consolidated Appropriations Act of 2021 for the Specialty Crop Block Grant Program. These emergency funds were appropriated in response to the ongoing COVID-19 pandemic. NASDA is seeking the assistance of your office in securing additional flexibilities from both USDA and the Office of Management and Budget to enable these funds to be used to enhance the ability of states to respond to COVID-19, specifically in support of specialty crops.

These flexibilities include:

- OMB Circular M 20-17 providing for “Allowability of Costs not Normally Chargeable to Awards.”
- OMB Circular M-20-20 allowing federal award agencies to repurpose federal assistance awards to support COVID-19 response.
- AMS has allowed for an exemption process on unallowable costs. Expenses such as food purchases for food banks (funds for donations and other emergency response activities) were approved, and we are seeking similar flexibility in this process.
- Other potential exemptions to unallowable cost would include equipment, individual farmer support opportunities and other expenses associated with COVID relief.
- Ability to extend funding beyond 2024.
- Flexibility on outcome measures related to COVID funds, including an AMS exemption process for larger funded projects that directly respond to COVID.

Since its inception in the Specialty Crop Competitiveness Act of 2004, the SCBGP has facilitated an extraordinary level of cooperation between USDA and state departments of agriculture in support of enhancing specialty crop competitiveness.

To grow and enhance American agriculture through policy, partnerships and public engagement.



In the early stages of the pandemic, states began requesting flexibility regarding the funds available under the SCBGP to respond to overwhelming needs of the specialty crop industry. Specifically, state departments of agriculture requested to use these funds to assist with their pandemic response by:

- Addressing inequities in the food system.
- Funding Cooperative Extension initiatives to increase access to information in a dynamic environment.
- Funding for workers' PPE against COVID-19, for example gloves, masks, hand sanitizer and touchless thermometers. Funding for COVID PPE investments made since the onset of the pandemic in March 2020 should qualify for reimbursement.
- Funding for COVID-19 related infrastructure improvements that producers have made since the beginning of the pandemic and will make to protect their workforce, such as the installation of plexiglass or other appropriate divides, and ventilation upgrades should qualify for reimbursement.
- Funding to offset costs related to COVID-19 prevention measures within worker housing and transportation; including reimbursing those improvements made since March 2020.
- As our nation prepares to undertake a massive vaccination program, the agricultural and food workforce faces unique challenges (i.e., language, culture and remote or rural worker populations). Funding should be utilized to help offset out-of-pocket expenses related to vaccination of farmworkers, packing and processing workers, and other specialty crop industry front-line employees. One element of vaccination will no doubt require a significant education and outreach campaign for employees and employers, and that too should be eligible for funding.
- Due to COVID-19 disruptions of market channels, funds should also be utilized to provide for product marketing and promotion of locally grown fruits and vegetables.

State departments of agriculture appreciated the decision of the OMB to allow short term relief but challenges impacting our food supply related to COVID-19 are still present and continued flexibility is needed. Unfortunately, such relief did not carry forward for 2021 funds through the normal farm bill mechanism, or for the additional emergency funds appropriated in the omnibus.

NASDA requests flexibility for state departments of agriculture to fund projects with either direct or indirect benefits to specialty crop competitiveness. In our discussions with USDA, congressional offices, and other stakeholders, it is clear that the additional emergency funding in



National Association of State Departments of Agriculture
4350 North Fairfax Drive
Suite 910
Arlington, VA 22203
Tel: 202-296-9680
www.nasda.org

support of specialty crop competitiveness is essential. States will require the same or greater flexibility regarding the 2021 base and emergency funds to respond to COVID. Specifically, projects in response to COVID that might indirectly contribute to competitiveness may be necessary to simply preserve the industry.

NASDA convened its membership to discuss the structure of submissions for the emergency funds that have been designated as “no year.” States offered varying input on the length of time available to obligate these funds; and whether there be a single submission for all funds allocated in 2021, or if multiple solicitations would be preferable. States also raised concern with the limitation on administrative funds available to oversee the emergency funds and have requested that USDA identify opportunities to streamline administration and reduce or remove burdens on states.

NASDA is sensitive to concerns that the flexibility associated with use of the 2021 base and emergency funds are not viewed as precedent in support of permanent expansion of the SCBGP. The flexibility sought by states only applies for purposes of pandemic response and should not be viewed as a request for a permanent expansion of authorized expenditures under the SCBGP.

Thank you for the ongoing cooperation between USDA and state departments of agriculture on this and many other programs.

Sincerely,

A handwritten signature in black ink that reads "Barbara L. Glenn". The signature is written in a cursive, flowing style.

Dr. Barb Glenn, Ph.D.
Chief Executive Officer

cc: Bruce Summers, Acting Deputy Under Secretary for Marketing and Regulatory Programs