Agriculture & Rural America: Weathering the COVID-19 Storm

Thursday, April 23, 2020 | 10:00 – 11:00 am CDT

Representative Paul Anderson, Minnesota | Representative Norine Hammond, Illinois
MLC Agriculture & Natural Resources Committee Co-Chairs

Senator Jim Dotzenrod, North Dakota
MLC Agriculture & Natural Resources Committee Vice Chair

Mr. Mark Scheffel
Senior Vice President, Advantage Capital

Ms. Mackenzie Ledet
Director, Stonehenge Capital
This webinar is being recorded. The recording and presentation slides will be available this afternoon on the MLC Economic Development Committee page on the CSG Midwest website at [www.csgmidwest.org](http://www.csgmidwest.org).

To reduce noise on the phone line, all participants will be in “listen-only” mode during the presentations.

The speakers will answer questions after their presentations:

- Type questions using the “questions” pane in the control panel.
- Click on the “raise hand” button on the grab tab.

Telephone users who wish to ask a question must enter the audio PIN.

If you selected “Mic & Speakers” as your audio choice, please test your system’s settings prior to asking a question.
CONFRONTING A CRISIS WEBINAR SERIES

BACKGROUND & GOALS

• This webinar series grew out of the desire by MLC leadership to provide our members with information on the impact of COVID-19 on the Midwestern states

• Goals
  o Examine the impact of COVID-19 in a number of state policy and program areas
  o Highlight state approaches to addressing the challenges posed by the crisis
  o Explore strategies to help the region emerge from the current crisis
  o Prepare for future public health emergencies
CONFRONTING A CRISIS WEBINAR SERIES

TOPICS

Six live, web-based teleconferences that will be made available to a wide audience of state officials, policy experts and interested stakeholders.

In addition to the live webinars, each will be recorded and made available on the CSG Midwest website.

Each webinar is hosted by an MLC policy committee

1. COVID-19 & Public Health
2. Agriculture & Rural America
3. School Closures & E-Learning
4. Cross-Border Economic Ties
5. Criminal Justice & Public Health
6. Rebounding from the Economic Downturn
Today’s webinar will cover:

- Ways states can assist producers and rural small businesses to mitigate the impact of COVID-19
- How some states are responding to the pandemic’s impact on agriculture
- And if we have time, we will take a look at how agriculture is being impacted by COVID-19
Members are legislators from 11 Midwestern states and four Canadian provinces

Committee officers

Representative Paul Anderson
Minnesota
Co-Chair

Representative Norine Hammond
Illinois
Co-Chair

Senator Jim Dotzenrod
North Dakota
Vice Chair
Minnesota Representative Paul Anderson
Rural Finance Authority

- Disaster Recovery Loan Program
- Appropriates $50 Million in bond proceeds to fund loans
- 1986 legislation, RFA works with local lenders to provide funds
- Can be used when human diseases result in a declaration of emergency or highly contagious animal diseases, funds can be used to replace livestock or flocks, make building improvements, or cover the loss of revenue
- Up to $200,000, RFA covers 45% of loan at 0 % interest
Mr. Mark Scheffel
Senior Vice President - Advantage Capital
mscheffel@advantagecap.com
Mark served in the Colorado Senate from 2009 until 2017, when he term limited from office. During his final two years, he served as majority leader. As a practicing attorney and businessman, Mark believes in fostering a community that supports and nourishes the entrepreneurial spirit. He does that now with Advantage Capital, raising private institutional capital to invest in businesses in underserved communities.

Ms. Mackenzie Ledet
Director - Stonehenge Capital
msledet@stonehengecapital.com
With a career that includes working for the Louisiana Senate and serving as a criminal prosecutor, MacKenzie now leads Stonehenge Capital in providing transformational capital to small businesses and developments in underserved communities.
The Legislative Landscape

Policy today  The next wave of support for small businesses  Economic recovery
What States Can Do

- Lead the policy discussion
- Be a resource of information
- State budgets
- Time-tested established programs
Time-Tested Programs

- Illinois New Markets Tax Credit
- Ohio Rural Jobs Program
- Nebraska New Markets Tax Credit
- Michigan Strategic Fund Act
- Iowa Rural Development Tax Credit
Navigating Through Crisis

The Great Recession

Katrina
AGRICULTURE & RURAL AMERICA: WEATHERING THE COVID-19 STORM

DISCUSSION

Questions?

Comments?
Illinois Representative Norine Hammond

Illinois Responses

- Pesticide Certification: University ceased trainings in early March
  - 38,000 licensed applicators in state
  - IDA extended all applicator licenses through 12/31/2020
  - IDA Developed on-line test process now in use

- Animal Welfare Changes
  - Set aside requirement that shelter animals be neutered
  - Adopters have 14 days after veterinary surgeries resume to have neutered
Illinois Farmers Markets

IL is 3rd in nation for number of farmers markets
Hope their popularity continues as we figure out how to best continue.

Consumer Safety Measures:
- Come to market in good health
- Wash hands/ refrain from touching your face
- Touch only what you are buying
- Regulate your own social spacing
- Wash all produce before consumption

Market Safety Measures:
- Certified Farmers' Markets are an essential public service equivalent to grocery stores
- Hand washing stations should be available
- No sampling or on-site dining
- Wider market aisles/vendor spacing
- Frequent cleaning of market equipment
North Dakota Senator Jim Dotzenrod

North Dakota Launches Care19

- A mobile app to help slow the spread of Covid-19
- App produced by Fargo startup, provided to state free of charge
- Anonymously collects your location throughout the day
- No personal information collected
- If you test positive for COVID-19, you can consent to provide that info to the App and it will allow contact tracing.
- The program was originally marketed as Bison Tracker which allowed NDSU fans to find other NDSU fans.
Questions?

Comments?
Livestock Markets

Cow/Calf, Hog Producers
Broilers, Milk Producers

Feeders
Processors
Further Processors
Distribution
Consumers

Short Term
- Processors have to replace wholesale market with consumer direct
- Feeders have to find other processors
- Livestock Producers have no place to go with product
- Our cold storage supply is stocked now - red meat up 5% from 2019
Figure 2. COVID-19 Impact on Agricultural Futures Prices
Percentage Change January 2 to April 15 for Nearby Contract

Wheat, -4%
Soybeans, -13%
Corn, -20%
Feeder Cattle, -21%
Class III Milk, -22%
Cotton, -25%
Live Cattle, -25%
Ethanol, -33%
Hogs, -53%

Source: Barrchart, Farm Bureau Analysis
Figure 2. Impact of COVID-19 on Animal Protein Futures Prices

Cumulative Percent Change in Price Since Outbreak Confirmed By China (January 14)

Source: Berchtold, Farm Bureau Calculations
COVID-19 impacts on 2020 farm cash receipts

- Cattle: -9.6 billion dollars
- Hogs: -2.2 billion dollars
- Poultry: -4.1 billion dollars
- Dairy: -4.0 billion dollars
- Other livestock: -0.4 billion dollars
- Corn: -4.7 billion dollars
- Soybeans: -2.1 billion dollars
- Wheat: -0.4 billion dollars
- Cotton: -0.6 billion dollars
- Other crops: -4.1 billion dollars

Farm Policy @FarmPolicy · Apr 13
#COVID2019 Impacts on 2020 net farm income (@FAPRI_MU webinar)
USDA Approving Use of SNAP For Online Purchases

States approved or awaiting approval
- Alabama
- Arizona
- California
- Florida
- Kentucky
- Idaho
- Iowa
- Massachusetts
- Missouri
- Nebraska
- New York
- North Carolina
- Oregon
- Texas
- Washington

Retailers accepting online SNAP
- Amazon
- Walmart

- All states should be able to get waiver so SNAP users can purchase food online
- States should utilize the newly authorized pandemic EBT program as broadly as they are able
- States should classify WIC as an essential public health service and request waivers for administrative flexibility
Questions?

Comments?
The Council of State Governments

COVID-19 Resources for State Leaders
https://web.csg.org/covid19/

Minnesota’s Rural Finance Authority Legislation

Illinois New Markets Development Program
https://www2.illinois.gov/dceo/ExpandRelocate/Incentives/taxassistance/Pages/NewMarketsDevelopmentProgram.aspx

Ohio Rural Business Program
https://development.ohio.gov/bs/bs_orbg.htm

Nebraska New Market Jobs Growth Tax Credit

Michigan Strategic Fund Act

To continue to receive information on Midwestern Legislative Conference Webinars or the MLC Agriculture and Natural Resource Newsletters and information, please send your contact information to: Carolyn Orr at carolyn@strawridgefarm.us
Thank you for joining us today!

Future Webinars:

- School Closures & E-Learning in the Time of COVID-19
  April 30 | 10:00 am CDT

- Maintaining Strong Cross-Border Economic Ties During the COVID-19 Crisis
  May 7 | 10:00 am CDT

- Balancing Criminal Justice & Public Health in the Time of COVID-19
  May 14 | 10:00 am CDT

- Relief & Recovery: Strategies to Rebound from the COVID-19 Economic Downturn
  May 21 | 10:00 am CDT

Register on the CSG Midwest website

csgmidwest.org