Congress of the United States Washington, DC 20515

June 2, 2020

The Honorable Sonny Perdue Secretary of Agriculture 1400 Independence Avenue SW Washington, DC 20250

Dear Secretary Perdue,

We write to request additional information regarding the procedures and policies on awarding contracts through the United States Department of Agriculture (USDA) Farmers to Families Food Box Program, as well as additional information about the awardees themselves. On May 8th, USDA announced \$1.2 billion of awarded contracts out of their previously publicized plans for a \$3 billion program.¹ However, basic information for awardees, such as physical addresses, was not included, and there was little clarity about why some relatively unknown companies received contracts while other companies with a history of providing similar services were not awarded contracts.² In light of the challenges facing Wisconsin farmers and families as a result of the COVID-19 pandemic, we request more information regarding your funding decisions and plans for the program, and that we work together moving forward to ensure that we fully meet the needs of our state.

Congress included funds in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) in late March to give USDA additional resources to connect farmers with those in need. Soon after, members of Wisconsin's Department of Agriculture, Trade and Consumer Protection (DATCP), including Interim Secretary Randy Romanski, were on the phone with you and your agency asking for a plan to implement significant commodity purchases to connect farmers to food banks and families facing food insecurity.

Considering the impact COVID-19 has had on the dairy industry, we expected that our wellestablished dairy producers, processors, and distributers in Wisconsin – America's Dairyland – would be particularly well funded by USDA to fill the need. However, less than 1% of the awards made for dairy products and fluid milk went to Wisconsin-based companies. For example, the Hunger Task Force, which had already partnered with DATCP on a state program designed to assist dairy farmers and those facing food insecurity,³ was denied an award on a seeming technicality. Their comprehensive application, submitted jointly with dozens of local farms in Wisconsin, was given no opportunity to address USDA's relatively minor concerns, letting down farmers and families across the state.

² <u>https://www.washingtonpost.com/business/2020/05/22/trumps-signature-effort-direct-farm-surplus-needy-families-abruptly-withdraws-large-contract-amid-criticism-programs-rollout/</u>

¹ <u>https://www.ams.usda.gov/press-release/usda-approves-12-billion-contracts-farmers-families-food-box-program</u>

³ <u>https://urbanmilwaukee.com/2020/04/16/hunger-task-force-will-distribute-1m-in-dairy-products-locally/</u>

Meanwhile, widespread reporting suggests that some of the contracts USDA awarded have been revoked, or awardees are at risk of being unable to fulfill their obligations. Food banks across the country have reported receiving far fewer food boxes than expected, and several sudden stopwork orders have exacerbated the acute needs of food assistance organizations that were relying on these deliveries.⁴

USDA also has yet to release full details on the companies that were successful in securing contracts, as is general practice. With the limited details given, it has been difficult to learn about the operations of many of the companies that were awarded contracts. Given the critical need for transparency for a program of this size, and the awarding of contracts to relatively unknown and unproven companies,⁵ we ask that you promptly release details on the companies awarded contracts, including the companies' physical addresses, legal names, and full contact information. Further, we ask that you provide written explanations and opportunities for recourse to the organizations that were denied contracts, especially those that have existing relationships with USDA and state agencies and demonstrated records of success in similar programs.

Finally, we ask that additional information be provided on how your department plans to move forward with the remaining \$1.8 billion of the \$3 billion for the Farmers to Families Food Box Program, including any adjustments that you plan to make to ensure awards are made in an equitable and transparent manner. Wisconsin producers and families alike are facing continued threats from COVID-19, and many Wisconsin companies and organizations stand ready to help meet the current challenges.

More action is required to support family farms, food assistance organizations, and families in need in Wisconsin and throughout the nation, and we believe there are more steps that can be quickly taken by your agency. We also stand ready to assist with any further efforts to ensure family farming remains the backbone of rural Wisconsin's economy following this crisis. We appreciate your consideration, and we look forward to a written response and a briefing for our staff by June 12th.

Ron Kind Member of Congress

Gwen Moore Member of Congress

Sincerely,

Tammy Baldwin United States Senator

Mark Pocan Member of Congress

⁴ https://www.politico.com/news/2020/05/27/agriculture-department-food-coronavirus-285846

⁵ <u>https://www.propublica.org/article/wedding-planner-caterer-brand-builder-trumps-food-aid-program-is-paying-</u>

¹⁰⁰⁻million-to-unlicensed-dealers