

## USDA to Provide Additional Direct Assistance to Farmers and Ranchers Impacted by the Coronavirus

### Expansion of the Coronavirus Food Assistance Program Begins Sept. 21

The U.S. Department of Agriculture (USDA) is implementing the Coronavirus Food Assistance (CFAP) Program 2 for agricultural producers who continue to face market disruptions and associated costs because of COVID-19. Signup for CFAP 2 will begin September 21 and run through December 11, 2020.

CFAP 2 payments will provide eligible producers with financial assistance that gives them the ability to absorb some of the increased marketing costs associated with the COVID-19 outbreak. USDA has incorporated improvements in CFAP 2 based from stakeholder engagement and public feedback to better meet the needs of impacted farmers and ranchers.

Additional commodities are eligible in CFAP 2 that weren't eligible in the first iteration of the program. CFAP 2 payments will be made for three categories of payment calculations:

- Price trigger commodities are major commodities that meet a minimum 5-percent price decline from January through July. Prices were compared from January 13-27 to prices July 27-31, 2020.
  - Dairy
    - Actual production (milk sales) April 1–Aug 31, 2020, payment rate of \$1.20/cwt
    - Estimated production (milk sales) Sept 1 Dec 31, 2020, payment rate of \$1.20/cwt
  - Livestock, excluding breeding livestock. Highest owned inventory on date selected between Apr 16–Aug 31, 2020, multiplied by the CCC payment rate.
    - beef cattle, \$55/head
      - includes steers, heifers, calves
    - hogs and pigs, \$23/head
    - lambs and sheep, \$27/head
    - broilers and eggs
  - Row crops, such as corn, soybeans, wheat
- Flat-rate commodities that do not meet the 5-percent price decline trigger or do not have data available to calculate a price change will have payments calculated based on eligible 2020 acres multiplied by \$15 per acre.
  - Includes alfalfa, canola, oats
  - Excludes hay, crops intended for grazing, cover crops, prevent plant acres



Producers of commodities with flat-rate payments or price trigger crops with acreage reports will use acreage and yield information provided by FSA through the annual acreage reporting process. Producers have the option to complete their application by working directly with their local Farm Service Agency or online through the CFAP 2 Application Portal.

- Sales Commodities use a sales-based approach, where producers are paid based on five payment gradations associated with their 2019 sales. If no sales in 2019, 2020 actual sales will be utilized.
  - Specialty crops, includes fruits, vegetables, dry edible beans, honey
  - Specialty livestock, excluding breeding livestock
    - commercially raised for food, fur, fiber or feathers: alpacas, bison, goats, turkey, etc.

A complete list of eligible commodities, payment rates and calculations can be found on [farmers.gov/cfap](http://farmers.gov/cfap). The total CFAP 2 payment that a person or legal entity may receive, directly or indirectly through attribution of payments, is \$250,000. As this is a separate program, this payment limitation is separate from the CFAP Program 1 payment limit and ARC/PLC payments. This limitation applies to the total amount of CFAP 2 payments made with respect to all eligible commodities. The total amount of CFAP 2 payments made to a legal entity – such as to a corporation, limited liability corporation, limited partnership, trust, or estate – is \$250,000, exceptions do apply and an entity may receive up to \$750,000. Although the payment limitation is increased for the corporation, LLC, LP, trust, or estate, each members' payment limitation (received directly or indirectly) remains subject to the \$250,000 individual person payment limit. These payment limit provisions are different from and separate from the payment limitations established by the 2018 Farm Bill.

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