

USDA to reopen sign-up for CFAP2, CFAP AA 'Pandemic Assistance for Producers'

USDA will reopen sign-up for CFAP 2 and AA for at least 60 days beginning on April 5, 2021.

Agriculture Secretary Tom Vilsack announced that USDA is establishing new programs and efforts to bring financial assistance to farmers, ranchers and producers who felt the impact of COVID-19 market disruptions. The new initiative—USDA Pandemic Assistance for Producers—will reach a broader set of producers than in previous COVID-19 aid programs. USDA is dedicating at least \$6 billion toward the new programs. The Department will also develop rules for new programs that will put a greater emphasis on outreach to small and socially disadvantaged producers, specialty crop and organic producers, timber harvesters, as well as provide support for the food supply chain and producers of renewable fuel, among others. Existing programs like the Coronavirus Food Assistance Program (CFAP) will fall within the new initiative and, where statutory authority allows, will be refined to better address the needs of producers.

USDA will reopen sign-up for CFAP 2 for at least 60 days beginning on April 5, 2021. The payments announced today (under Part 3, below) will go out under the existing CFAP rules; however, future opportunities for USDA Pandemic Assistance will be reviewed for verified need and during the rulemaking process, USDA will look to make eligibility more consistent with the Farm Bill. Moving forward, USDA Pandemic Assistance for Producers will utilize existing programs, such as the Local Agricultural Marketing Program, Farming Opportunities Training and Outreach, and Specialty Crop Block Grant Program, and others to enhance educational and market opportunities for agricultural producers.

USDA Pandemic Assistance for Producers – 4 Parts

Part 1: Investing \$6 Billion to Expand Help & Assistance to More Producers

USDA will dedicate at least \$6 billion to develop a number of new programs or modify existing proposals using discretionary funding from the Consolidated Appropriations Act (CAA) and other coronavirus funding that went unspent by the previous administration. Where rulemaking is required, it will commence this spring.

Part 2: Adding \$500 Million of New Funding to Existing Programs

USDA expects to begin investing approximately \$500 million in expedited assistance through several existing programs this spring, with most by April 30.

Part 3: Carrying Out Formula Payments under CFAP 1, CFAP 2, CFAP AA

The Consolidated Appropriations Act, 2021, enacted December 2020 requires FSA to make certain payments to producers according to a mandated formula. USDA is now expediting these provisions because there is no discretion involved in interpreting such directives, they are self-enacting.

- An increase in CFAP 1 payment rates for cattle. Cattle producers with approved CFAP 1 applications will automatically receive these payments beginning in April. Information on the additional payment rates for cattle can be found on farmers.gov/cfap. Eligible producers do not need to submit new applications, since payments are based on previously approved CFAP 1 applications. USDA estimates additional payments of more than \$1.1 billion to more than 410,000 producers, according to the mandated formula.
- Additional CFAP assistance of \$20 per acre for producers of eligible crops identified as CFAP 2 flat-rate or price-trigger crops beginning in April. This includes alfalfa, corn, cotton, hemp, peanuts, rice, sorghum, soybeans, sugar beets and wheat, among other crops. FSA will automatically issue payments to eligible price trigger and flat-rate crop producers based on the eligible acres included on their CFAP 2 applications. Eligible producers do not need to submit a new CFAP 2 application. For a list of all eligible row-crops, visit farmers.gov/cfap.
- USDA will finalize routine decisions and minor formula adjustments on applications and begin processing payments for certain applications filed as part of the CFAP Additional Assistance program in the following categories:
 - ⇒ Applications filed for pullets and turfgrass sod;
 - ⇒ A formula correction for row-crop producer applications to allow producers with a non-Actual Production History (APH) insurance policy to use 100% of the 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield in the calculation;

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