

PANDEMIC ASSISTANCE FOR PRODUCERS

The USDA's Pandemic Assistance for Producers initiative reopens the Coronavirus Food Assistance Program (CFAP) that was authorized in March 2020 as part of the CARES Act.

Livestock

Increased CFAP 1 payments for livestock owners. Payment rates are for cattle on inventory between April 16 and May 14, 2020. Producers with approved CFAP 1 applications will automatically receive payments.

Rates are as follows:

- Feeder Cattle (Less than 600 lbs): \$7/head
- Feeder Cattle (600 lbs or More): \$25.50/head
- Slaughter Cattle (Fed Cattle): \$63/head
- Slaughter Cattle (Mature Cattle): \$14.75/head
- All other Cattle: \$17.25/head

**Breeding stock is not eligible*

Dairy

Payments for cow milk will be equal to the sum of the following:

- The producer's total actual milk production from April 1, 2020, to August 31, 2020, multiplied by the payment \$1.20 per hundredweight; and
- The producer's estimated milk production from September 1, 2020, to December 31, 2020, based on the daily average production from April 1, 2020, through August 31, 2020, multiplied by 122, multiplied by a payment rate of \$1.20 per hundredweight.

Row Crops

Additional payments will be equal to the eligible acres of the crop multiplied by a payment rate of \$20 per eligible acre. FSA will automatically issue payments to eligible producers starting April 1 based on the eligible acres included on their CFAP 2 applications. Eligible producers who have already applied for CFAP 2 do not need to submit a new application to receive this payment.

Covered Crops Include:

- Alfalfa
- Canola
- Corn
- Cotton
- Hemp
- Oats
- Sorghum
- Soybeans
- Triticale
- Sunflowers
- Wheat (all classes)

Specialty Crops

Payments are available for eligible producers of specialty crop commodities categorized as sales commodities. Eligible fruits, vegetables, horticulture, tree nuts, honey, maple sap, and turfgrass sod are categorized as sales commodities.

FSA has updated the CFAP 2 payment calculation for specialty crops to account for crop insurance indemnities and payments to more accurately represent what a producer would have marketed if not for a cause of loss.

CFAP payments to specialty crop producers are now calculated using the producer's eligible sales in calendar year 2019, and crop insurance indemnities, NAP, and WHIP+ payments for crop year 2019, multiplied by the applicable payment rate below.

The following is the 2019 Sales Range with the Percent Payment Factor for the Producers 2019 Sales of Eligible Commodities Falling in the Range:

- \$0 - \$49,999: 10.6%
- \$50,000 - \$99,999: 9.9%
- \$100,000 - \$499,999: 9.7%
- \$500,000 - \$999,999: 9%
- Sales of more than 1 million: 8.8%

To be eligible for payments, a person or legal entity must have an average adjusted gross income of less than \$900,000 for tax years 2016, 2017, and 2018. However, if 75 percent of their adjusted gross income comes from farming, ranching, or forestry-related activities, the AGI limit of \$900,000 does not apply and the person or legal entity is eligible to receive CFAP 2 payments up to the applicable payment limitation.

The USDA Pandemic Assistance for Producers program will also include a \$6 billion investment to assist with:

- Biofuels
- Specialty crops
- Improving food supply chain
- Developing infrastructure to support donation and distribution of perishable commodities, including food donation and distribution through farm-to-school, restaurants and other community organizations

Additional details on these provisions will be announced at a later date.