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USDA Announces Details of Direct Assistance to Farmers through the Coronavirus Food Assistance Program

USS Secretary of Agriculture Sonny Perdue today announced details of the Coronavirus Food Assistance Program (CFAP), which will provide up to \$16 billion in direct payments to deliver relief to America's farmers and ranchers impacted by the coronavirus pandemic.

Non-Specialty Crops and Wool | Non-specialty crops eligible for CFAP payments include malting barley, canola, corn, upland cotton, millet, oats, soybeans, sorghum, sunflowers, durum wheat, and hard red spring wheat. Wool is also eligible. Producers will be paid based on inventory subject to price risk held as of January 15, 2020. A payment will be made based 50 percent of a producer's 2019 total production or the 2019 inventory as of January 15,



2020, whichever is smaller, multiplied by the commodity's applicable payment rates.

Livestock | Livestock eligible for CFAP include cattle, lambs, yearlings and hogs. The total payment will be calculated using the sum of the producer's number of livestock sold between January 15 and April 15, 2020, multiplied by the payment rates per head, and the highest inventory number of livestock between April 16 and May 14, 2020, multiplied by the payment rate per head.

Dairy | For dairy, the total payment will be calculated based on a producer's certification of milk production for the first quarter of calendar year 2020 multiplied by a national price decline during the same quarter. The second part of the payment is based a national adjustment to each producer's production in the first quarter.

Specialty Crops | For eligible specialty crops, the total payment will be based on the volume of production sold between January 15 and April 15, 2020; the volume of production shipped, but unpaid; and the number of acres for which harvested production did not leave the farm or mature product destroyed or not harvested during that same time period, and which have not and will not be sold. Specialty crops include, but are not limited to, almonds, beans, broccoli, sweet corn, lemons, iceberg lettuce, spinach, squash, strawberries and tomatoes. A full list of eligible crops can be found on farmers.gov/cfap. Additional crops may be deemed eligible at a later date.

Eligibility | There is a payment limitation of \$250,000 per person or entity for all commodities combined. Producers will also need to certify they meet the Adjusted Gross Income limitation of \$900,000 unless at least 75 percent or more of their income is derived from farming, ranching or forestry-related activities. Producers must also be in compliance with Highly Erodible Land and Wetland Conservation provisions.

Applying for Assistance | Producers can apply for assistance beginning on <u>May 26, 2020</u>. Additional information and application forms can be found at <u>farmers.gov/cfap</u>. Producers of all eligible commodities will apply through their local FSA office. Applications will be accepted through <u>August 28, 2020</u>.

For more information, see:

- Farmers and Ranchers to Receive Direct Support for Losses Related to COVID-19
- Disaster Loan Assistance | COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION
- Coronavirus (COVID-19): Small Business Guidance & Loan Resources
- PAYCHECK PROTECTION PROGRAM (PPP) INFORMATION SHEET: BORROWERS
- Business Loan Program Temporary Changes; Paycheck Protection Program