

Food and Agriculture Resources

Programs highlighted below:

- *Coronavirus Food Assistance Program (CFAP)*
- *Commodity Credit Corporation*
- *Assistance for Fishermen*

Coronavirus Food Assistance Program

The Coronavirus Food Assistance Program (CFAP) will use the funding and authorities provided in the CARES Act, the Families First Coronavirus Response Act (FFCRA), and other USDA existing authorities. The program includes two major elements.

CFAP Direct Support to Farmers and Ranchers

The Coronavirus Food Assistance Program will provide \$16 billion in direct support based on actual losses for agricultural producers where prices and market supply chains have been impacted and will assist producers with additional adjustment and marketing costs resulting from lost demand and short-term oversupply for the 2020 marketing year caused by COVID-19.

- CFAP will provide direct support based on actual losses for agricultural producers where prices and market supply chains have been impacted.
- CFAP will assist producers with additional adjustment and marketing costs resulting from lost demand and short-term oversupply for the 2020 marketing year caused by COVID-19.

Eligibility

Eligible producers (person or legal entity) of specified agricultural commodities who have suffered a five percent-or-greater price decline as a result of the COVID-19 pandemic, and who face substantial marketing costs for inventories, are eligible for CFAP payments.

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, the AGI limit of \$900,000 does not apply.

- **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:
 - Fruits: apples, avocados, blueberries, cantaloupe, grapefruit, kiwifruit, lemons, oranges, papaya, peaches, pears, raspberries, strawberries, tangerines, tomatoes, watermelons.
 - Vegetables: artichokes, asparagus, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, garlic, iceberg lettuce, romaine lettuce, dry onions, green onions, peppers, potatoes, rhubarb, spinach, squash, sweet potatoes, taro.
 - Nuts: almonds, pecans, walnuts.
 - Other: beans, mushrooms.
- *USDA will consider additional crops to be eligible for CFAP by collecting information on potentially eligible crops and additional crops may be deemed eligible at a later date.*

Ineligible Commodities

Commodities that did not suffer a five percent-or-greater price decline from mid-January 2020 to mid-April 2020 are not eligible for CFAP. Specifically, this includes sheep more than two years old, eggs/layers, soft red winter wheat, hard red winter wheat, white wheat, rice, flax, rye, peanuts, feed barley, Extra Long Staple (ELS) cotton, alfalfa, forage crops, hemp, and tobacco. However, for all commodities except for hemp and tobacco, USDA may reconsider the excluded commodities if credible evidence is provided that supports a five percent price decline.

Payment Limitation

There is a payment limitation of \$250,000 per person or entity for all commodities combined. Applicants who are corporations, limited liability companies or limited partnerships may qualify for additional payment limits where members actively provide personal labor or personal management for the farming operation.

Unlike other FSA programs, special payment limitation rules will be applied to participants that are corporations, limited liability companies, and limited partnerships (corporate entities). These corporate entities may receive up to \$750,000 based upon the number of shareholders (not to exceed three shareholders) who contribute at least 400 hours of active person management or personal active labor.

For a corporate entity:

- With one such shareholder the payment limit for the entity is \$250,000;

- With two such shareholders, the payment limit for the entity is \$500,000 if at least two members contribute substantial labor or management with respect to the operation of the corporate entity; and
- With three such shareholders, the limit is \$750,000 if at least three members contribute substantial labor or management with respect to the operation of the corporate entity.

Payment Structure

To ensure the availability of funding throughout the application period, producers will receive 80 percent of their maximum total payment upon approval of the application. The remaining portion of the payment, not to exceed the payment limit, will be paid at a later date as funds remain available.

Other Requirements

- Producers will also have 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.
- Eligible producers must disclose if a foreign person, provides land, capital, and a substantial amount of active personal labor to the farming operation.
- Recipients must not have a controlled substance violation.

Application

Producers can apply for assistance beginning on May 26, 2020. Additional information and application forms can be found at [here](#). Producers of all eligible commodities will apply through their local FSA office. Documentation to support the producer's application and certification may be requested. FSA has streamlined the signup process to not require an acreage report at the time of application and a USDA farm number may not be immediately needed. Applications will be accepted through August 28, 2020.

As part of applying for the Coronavirus Food Assistance Program, ag producers need to first contact their local Farm Service Agency county office to schedule an appointment. To find your local FSA office use the service locator at the bottom of this [page](#). Local FSA staff will work with you to apply for the program.

Local FSA staff will work with you to apply for the program, and through forms that will ask for the following information:

- Contact
- Personal, including your Tax Identification Number
- Farming operating structure
- Adjusted Gross Income to ensure eligibility
- Direct deposit to enable payment processing

FSA has streamlined the signup process to not require an acreage report at the time of application and a USDA farm number may not be immediately needed.

Updates to the CFAP program can be accessed [here](#).

CFAP USDA Purchase and Distribution (Farmers to Families)

USDA's Farmers to Families Food Box program will partner with regional and local distributors, whose workforce has been significantly impacted by the closure of many restaurants, hotels, and other food service entities, to purchase \$3 billion in fresh produce, dairy, and meat. USDA will begin with the procurement of an estimated \$100 million per month in fresh fruits and vegetables, \$100 million per month in a variety of dairy products, and \$100 million per month in meat products. The distributors and wholesalers will then provide a pre-approved box of fresh produce, dairy, and meat products to food banks, community and faith based organizations, and other non-profits serving Americans in need.

For more information on the USDA's Farmers to Families Food Box program click [here](#).

Commodity Credit Corporation

The Cares Act includes \$14 billion for the Commodity Credit Corporation (CCC). This is not a direct appropriation for new spending or the creation of new programs and payments but rather a reimbursement for funds already spent by the CCC. The CARES Act funding boosts existing borrowing authority for the CCC. The CCC is the funding mechanism for agricultural programs like Price Loss Coverage, Dairy Margin Coverage, and the Market Facilitation Program (MFP).

Assistance for Fishermen

The CARES Act provides \$300 million in Department of Commerce and National Oceanic and Atmospheric Administration (NOAA) fisheries disaster relief funding to support fishermen around the country struggling due to disappearing economic markets caused by the coronavirus pandemic. To be eligible for relief, participants must have "revenue losses greater than 35 percent as compared to the prior five-year average revenue, or any negative impacts to subsistence, cultural, or ceremonial fisheries."

Tribal, subsistence, commercial, and charter fishermen, as well as aquaculture farmers, are all eligible for the disaster assistance. This fund is designated for businesses not covered by agricultural relief programs defined by [part 1416 of title 7 of the Code of Federal Regulations](#). Funds may be awarded on a rolling basis "and within a fishing season to ensure rapid delivery of funds," which will remain available until Sept. 30, 2021.

NOAA will post details on the distribution of funds when available [here](#).