

## **Details on the USDA Market Facilitation Program**

### **By Chaney Black**

Last week, the USDA announced details regarding the financial assistance that will be made available to farmers in response to the continuing tariff situation with foreign countries. The program is called the Market Facilitation Program (MFP). The first payment period will begin September 4<sup>th</sup>. The second payment period, if warranted, will be later determined by the USDA. This program will provide payments to corn, soybean, wheat, dairy, hog, sorghum, and cotton producers. There is a separate \$125,000 payment limit on this program and you are also subject to the \$900,000 AGI limitation.

Harvest must be 100% complete in order for interested producers to apply. MFP applications will be available online at [www.farmers.gov/mfp](http://www.farmers.gov/mfp). Producers will also be able to submit their MFP applications in person, by email, fax, or by mail. The FSA offices are currently getting training on how to implement this assistance.

The initial MFP payment will be calculated by multiplying 50 percent of the producer's total 2018 actual production by the applicable MFP rate. Below you can see the rate for each crop or commodity:

- Soybeans – \$1.65 per bushel (\$3.6 billion),
- Corn – 1 cent per bushel (\$96 million),
- Wheat – 14 cents per bushel (\$119 million),
- Dairy – 12 cents per hundredweight (\$127 million),
- Pork – \$8 per head (\$290 million),
- Sorghum – 86 cents per bushel (\$157 million), and
- Cotton – 6 cents per pound (estimated \$277 million payout)

If a second MFP payment period is announced, the remaining 50 percent of the producer's total 2018 actual production will be subject to the second MFP payment rate.

Our goal is to keep our clients up-to-date on announcements like this. As always, please contact us with any questions or concerns.

Thanks,

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