

# USDA Launches Coronavirus Food Assistance Program 2

*By Chaney Black, CPA, Tax Specialist*

On September 21<sup>st</sup>, USDA launched the Coronavirus Food Assistance Program 2 (also known as CFAP 2). Applications will be accepted until December 11, 2020. This program follows the first round of CFAP, which had an application period of May 26<sup>th</sup> through September 11<sup>th</sup>. The 2<sup>nd</sup> round provides producers with financial assistance that gives them the ability to absorb some of the increased marketing costs associated with the COVID-19 pandemic.

## **Eligible Commodities**

- Non-Specialty Crops: corn, millet, oats, soybeans, sorghum, wheat, etc.
- Livestock: cattle, hogs, and sheep— EXCLUDES BREEDING STOCK
- Dairy, Wool & Specialty Crops

## **How to Apply**

Producers should apply through their local Farm Service Agency Service Center. Please contact your local FSA office with any questions and to determine how they would prefer you submit your application.

## **CFAP 2 Payments for Price Trigger Row Crops**

Payments for eligible row crops included in the price trigger payment category will be equal to the greater of:

- Eligible acres of the crop multiplied by a rate of \$15 per acre; OR
- Eligible acres of the crop multiplied by a nationwide crop marketing percentage, multiplied by a crop-specific payment rate, and then by the producer's weighted 2020 Actual Production History (APH) approved yield. If the APH is not available, 85 percent of the weighted 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield for that crop will be used.

## **CFAP 2 Payments for Livestock**

For beef cattle, hogs and pigs, and lambs and sheep, payments will be equal to the highest owned inventory of eligible livestock, excluding breeding stock, on a date selected by the eligible producer from April 16, 2020, through August 31, 2020, multiplied by the CCC payment rate.

For beef cattle, payments will be equal to:

- The producer's maximum owned inventory of eligible beef cattle, excluding breeding stock, on a date selected by the producer from April 16, 2020, through August 31, 2020,
- Multiplied by the number of payment limitations for the producer, multiplied by the payment rate of \$55 per head.

You can find out more information about the CFAP 2 program, by visiting [www.farmers.gov/cfap](http://www.farmers.gov/cfap) or contacting your local FSA office.

Thanks!

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