

USDA Now Accepting Applications for Coronavirus Food Assistance Program

By Chaney Black, CPA

You can now apply for USDA's Coronavirus Food Assistance Program, which provides direct payments to farmers and ranchers to offset impacts from the coronavirus pandemic. Applications will be accepted through August 28, 2020. Financial assistance is available to producers of agricultural commodities who have suffered a five-percent-or-greater price decline due to COVID-19 and face additional significant marketing costs as a result of lower demand, surplus production, and disruptions to shipping patterns and the orderly marketing of commodities.

Eligible Commodities

- Non-specialty Crops: corn, millet, oats, soybeans, sorghum, wheat, etc.
- Livestock: cattle, hogs, and sheep (lambs and yearlings only)
- 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.

Payment Structure & Limitations

To ensure the availability of funding throughout the application period, producers will receive 80 percent of their maximum total payment, up to the payment limit, upon approval of the application. The remaining portion will be paid at a later date as funds remain available. CFAP payments are subject to a per person and legal entity payment limitation of \$250,000. This limitation applies to the total amount of CFAP payments made with respect to all eligible commodities. Unlike other FSA programs, special payment limitation rules are 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 are contributing at least 400 hours of active person management or personal active labor.

CFAP Payments for Livestock

A single payment for livestock will be calculated using the sum of the producer's number of livestock sold between January 15 and April 15, 2020 (see CARES Part 1 column), 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 (see CCC Part 2 Column).

Livestock	Eligible Livestock	Unit of Measure	CARES Act Part 1 Payment Rate	CCC Part 2 Payment Rate
Cattle	Feeder Cattle: Less than 600 Pounds	Head	\$102.00	\$33.00
	Feeder Cattle: 600 Pounds or More	Head	\$139.00	\$33.00
	Slaughter Cattle: Fed Cattle	Head	\$214.00	\$33.00
	Slaughter Cattle: Mature Cattle	Head	\$92.00	\$33.00
	All Other Cattle	Head	\$102.00	\$33.00
Hogs and Pigs	Pigs: Less than 120 Pounds	Head	\$28.00	\$17.00
	Hogs: 120 Pounds or More	Head	\$18.00	\$17.00
Lambs and Yearlings	All Sheep Less than 2 Years Old	Head	\$33.00	\$7.00

CFAP Payments for Non-Specialty Crops

Producers will be paid based on inventory subject to price risk held as of January 15, 2020. A single payment will be made based on 50 percent of a producer's 2019 total production or the 2019 inventory as of January 15, 2020, whichever is smaller, multiplied by 50 percent and then multiplied by the commodity's applicable payment rates.

Commodity	Unit of Measure	CARES Act Payment Rate (Applied against 50% of unpriced inventory as of January 15, 2020, not to exceed 50 percent of 2019 total production)	CCC Payment Rate (Applied against 50% of unpriced inventory as of January 15, 2020, not to exceed 50 percent of 2019 total production)
Barley (malting barley only)	bushel	\$0.34	\$0.37
Canola	pound	\$0.01	\$0.01
Corn	bushel	\$0.32	\$0.35
Upland Cotton	pound	\$0.09	\$0.10
Millet	bushel	\$0.31	\$0.34
Oats	bushel	\$0.15	\$0.17
Sorghum	bushel	\$0.30	\$0.32
Soybeans	bushel	\$0.45	\$0.50
Sunflowers	pound	\$0.02	\$0.02
Wheat, Durum	bushel	\$0.19	\$0.20
Wheat, Hard Red Spring	bushel	\$0.18	\$0.20

You can find out more information about the CFAP program, by visiting farmers.gov/cfap or contacting your local FSA office.

Thanks!

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