

Coronavirus Aid to Agriculture



The coronavirus has produced high unemployment and low commodity prices. This has reduced farm revenue, making it harder for farmers to repay debt and increasing the rate of farm bankruptcies nationwide. The Coronavirus Aid, Relief, and Economic Security Act ('CARES Act') provided the United States Department of Agriculture (USDA) with \$9.5 billion and the Commodity Credit Corporation (CCC) with a \$14 billion replenishment.

"Empty shelves can be frightening, but empty fields and barns would be devastating." - Zippy Duvall (AFBF President)

Coronavirus Food Assistance Program (CFAP)

Background

CFAP provides vital financial relief to producers of agricultural commodities who have suffered a 5% or greater price decline due to Covid-19, in addition to significant marketing cost increases due to lower demand, surplus production, and disruptions to distribution and typical commodities marketing.

Application

Producers can apply for assistance beginning May 26, 2020 through their Farm Service Agency (FSA), where a streamlined process has been put in place. The USDA has released details for specialty crops, non-specialty crops, wool, livestock, and dairy. Additional information and application forms can be found at farmers.gov/cfap.

Coronavirus Aid, Relief, and Economic Stability (CARES) Act and Commodity Credit Corporation (CCC)

\$16 Billion

- \$9.5 billion for livestock industry
- \$3.9 billion for row crop producers
- \$2.1 billion for specialty crop producers

Compensation for farmers and ranchers for losses due to price declines between January 2020 and April 2020, including on-going market disruptions.

Producers will receive 80% of their maximum total payment upon approval of their application. As funds are available, remaining portions can be paid.

Payment limit = \$125k per entity for all commodities. Producers must meet income limitation of \$900k, unless at least 75% of income is derived from farming, ranching, or forestry-related activity.

Payment Structure and Eligibility

Food Box Program



\$461 M Purchase of fresh fruits and vegetables

\$317 M Purchase of variety of dairy products

\$258 M Purchase of meat products

\$175 M Purchase of combination fresh produce boxes

USDA's Agricultural Marketing Service is partnering with national, regional, and local suppliers whose workforce has been significantly impacted by the closure of restaurants, hotels, and other food service businesses to purchase up to \$3 billion in fresh produce, dairy, or meat products. Suppliers package products into family-size boxes and transport them to food banks, community and faith-based organizations, and other non-profits serving those in need.

SOURCES

<https://www.ams.usda.gov/selling-food-to-usda/farmers-to-families-food-box>

<https://www.farmers.gov>

<https://www.ncsl.org/research/health/ncsl-coronavirus-covid-19-resources.aspx>

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