



NATIONAL AFFAIRS

September 21, 2020

Coronavirus Food Assistance Program 2.0: Applications Accepted Beginning September 21

On Friday, September 18, 2020, the United States Department of Agriculture (USDA) announced the details of the new Coronavirus Food Assistance Program 2.0 (CFAP 2.0). This new program builds off the original CFAP program and will provide up to \$14 billion in direct financial assistance to producers of eligible agricultural commodities facing market disruptions and additional costs due to the coronavirus (COVID-19) pandemic. Below are additional details about the program and application process. All details about CFAP 2.0, including payment rates, may be found at <https://www.farmers.gov/cfap>. You may review the rule governing this program [here](#).

Applying for Assistance

Producers can apply for assistance beginning September 21, 2020, and applications will be accepted through December 11, 2020. Those eligible will apply in the same manner as the original CFAP program, through their local Farm Service Agency (FSA) office.

On Thursday, September 24, 2020, USDA will host a webinar for those interested in learning more about CFAP 2.0. You may register [here](#).

Eligible Commodities and Payment Structure

Eligible crops are divided into the following three categories outlined below: price trigger commodities, flat-rate commodities, and sales commodities.

Price Trigger Commodities

Price trigger commodities must have suffered a 5 percent or greater national price decline based on a comparison of the average prices for the weeks of January 13-17, 2020, and July 27-31, 2020.

Eligible commodities include the following:

- **Broilers and eggs:** Payments are based on 75 percent of the producers' 2019 production.
- **Crops including barley, corn, sorghum, soybeans, sunflowers, upland cotton, and all classes of wheat:** Payments are based on the greater of: 1) the eligible acres multiplied by a payment rate of \$15 per acre; or 2) the eligible acres 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 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield for that crop will be used.
- **Dairy (cow's milk):** Payments are based on actual milk production from April 1, 2020, to August 31, 2020. The milk production for September 1, 2020, to December 31, 2020, will be estimated by FSA.
- **Livestock including beef cattle, hogs and pigs, and lambs and sheep:** Payments are based on the maximum owned inventory of eligible livestock, excluding breeding stock, on a date selected by the producer, between April 16, 2020, and August 31, 2020.

Flat-Rate Commodities

Flat-rate commodities are those commodities described below that either do not meet the 5 percent or greater national price decline trigger noted above or do not have data available to calculate a price change. These commodities are eligible for a \$15-per-acre base payment.

Eligible commodities include the following: hemp, alfalfa, amaranth grain, buckwheat, canola, Extra Long Staple (ELS) cotton, crambe (colewort), einkorn, emmer, flax, guar, indigo, industrial rice, kenaf, khorasan, millet, mustard, oats, peanuts, quinoa, rapeseed, rice, sweet rice, wild rice, rye, safflower, sesame, speltz, sugar beets, sugarcane, teff, and triticale.

Sales Commodities

Sales commodities includes those not found in the price trigger and flat-rate categories. For sales commodities, payment calculations are based on five different payment percentages associated with 2019 sales.

Eligible commodities include the following: tobacco, specialty livestock (including bison and beefalo), aquaculture, nursery crops and floriculture, and numerous specialty crops.

For the complete list of eligible and ineligible commodities for CFAP 2.0 you may visit: <https://www.farmers.gov/cfap/commodities>.

Payment Limitations

Participation in CFAP 2.0 is subject to 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 when members actively provide personal labor or personal management for the farming operation. In addition, this special payment limitation provision has been expanded to include trusts and estates for both the original CFAP and CFAP 2.0. 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.

For more information about the USDA's actions in response to COVID-19 you may visit: <https://www.usda.gov/coronavirus> or <https://www.kyfb.com/federation/covid-19-resources/>.