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USDA Announces Additional Pandemic Assistance for Farmers

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On March 24th, U.S. Ag Secretary Tom Vilsack introduced USDA's [Pandemic Assistance for Producers](#) that will be distributing more than \$12 billion to assist agricultural producers and other agricultural businesses impacted by the Coronavirus. As a review, Congress passed an additional COVID-19 stimulus package (Consolidated Appropriations Act) last December providing supplementary funding for crop and livestock producers who had received financial assistance from the first two rounds of Coronavirus Food Assistance Program (CFAP) payments (i.e., CFAP 1 and CFAP 2). New programs were also included to compensate contract growers and producers who had to depopulate animals who were not eligible for the first two CFAP payments. On Jan. 15, 2021 the outgoing Trump administration announced that it would be moving forward with programs for selected provisions of the December 2020 COVID-19 relief bill, but upon entering office, the Biden administration immediately announced they would be reviewing these payments and programs before issuing guidelines. Following the review, the announcement on March 24th outlined USDA's plan to distribute these funds and introduce new programs which included the following:

- Reopen Coronavirus Food Assistance Program 2 (CFAP 2) for at least 60 days beginning on April 5, 2021 in an attempt to identify eligible producers (focusing on socially disadvantaged producers) who did not apply for CFAP 2 and for producers who want to modify their CFAP 2 applications.
- **Corn, soybean, wheat, sorghum, hemp, alfalfa hay, and other row crops** (click [here](#) for the entire list) along with certain **fruit, vegetable and other specialty crops** (click [here](#) for the entire list) will be eligible for an additional \$20 per acre payment. Payments will be based on 2020 acres and for producers who submitted an accepted CFAP 2 application. Eligible specialty and row crop producers do not need to submit a new CFAP 2 application to receive the latest round of payments. (\$4.5 billion)
- **Cattle** producers will be receiving an increase in CFAP 1 payment rates based on the number of cattle in inventory between April 16, 2020, to May 14, 2020 (\$1.1 billion). Cattle producers with approved

CFAP 1 applications do not need to reapply as they will automatically receive these payments. The additional payment rates are:

| Eligible Commodity | Payment Rate |
|-------------------------------------|---------------------|
| Feeder Cattle: Less than 600 Pounds | \$7.00/head |
| Feeder Cattle: 600 Pounds or More | \$25.50/head |
| Slaughter Cattle: Fed Cattle | \$63.00/head |
| Slaughter Cattle: Mature Cattle | \$14.75/head |
| All Other Cattle | \$17.25/head |

- **Contract livestock producers** who had to depopulate their animals due to COVID-19 processing disruptions along with **non-contract swine producers** are eligible for funding under this current round of payments, but USDA declared in their March 24th announcement, “payments for contract growers are currently on hold and are likely to require modifications to the regulation as part of a broader evaluation. FSA will continue to accept applications from interested contract growers during this evaluation period.”
- Tobacco was eligible for CFAP 2, but similar to contract livestock producers, USDA states that “payments for tobacco producers are currently on hold and are likely to require modifications to the regulation as part of a broader evaluation. FSA will continue to accept applications from interested contract growers during this evaluation period.”
- Additional funding to support [Specialty Crop Block Grants, Farmers Opportunities Training and Outreach Programs](#) and the [Local Agricultural Marketing Program](#) (\$500 Million).
- Additional funding (totaling \$6 billion) to support new programs including assistance for:
 - Dairy farmers through the Dairy Donation Program
 - Biofuels
 - Specialty crops; beginning farmers; and local, urban, and organic farms
 - Costs for organic certification or to continue or add conservation activities
 - Timber harvesting and hauling
 - Personal Protective Equipment (PPE) and other protective measures for food/food workers
 - Improving the resilience of the food supply chain
 - Developing infrastructure to support donation and distribution of perishable commodities
 - Reducing food waste
 - Other possible expansion and corrections to the CFAP

For more specific details on USDA’s Pandemic Assistance for Producers click [here](#). For more specific details on USDA’s Coronavirus Food Assistance Program (CFAP), click [here](#).

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