

Overview of Programs



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CFAP 2 DETAILS

- Non-Specialty Crops
 - Higher of \$15 per acre payment; or,
 - Payment rate calculated for Barley, Corn, Cotton, Sorghum, Soybeans, Sunflowers, and Wheat
- Specialty Crops and Others
 - Based on 2019 sales (declining block rates from 10.6% to 8.8%)
- Livestock
 - Based on highest inventory (non-breeding) between 4/16 and 8/31
 - Cattle: \$55 per head
 - Swine: \$23 per head
 - Sheep: \$27 per head
- Dairy
 - \$1.20 per CWT (4/1 and 12/31)
- Sign up begins 9/21 and ends 12/11



CFAP 2 Non-Specialty

- CFAP 2 Payment = FSA 578 Planted Acres * Weighted 2020 APH Approved Yield * Payment Rate * Marketing Percentage (No Sequestration)

*If APH is not available, 85% of the weighted 2019 ARC-CO benchmark yield will be used

Crop	Payment Rate	Marketing Percentage	Net Payment Rate
Barley	\$0.54	63%	\$0.34
Corn	\$0.58	40%	\$0.23
Cotton	\$0.08	46%	\$0.037
Sorghum	\$0.56	55%	\$0.31
Sunflowers	\$0.02	44%	\$0.01
Soybeans	\$0.58	54%	\$0.31
Wheat (all classes)	\$0.54	73%	\$0.39

- All other non-specialty crops will receive \$15 per acre
 - Alfalfa, amaranth grain, buckwheat, canola, Extra Long Staple (ELS) cotton, crambe (colewort), einkorn, emmer, flax, guar, hemp, 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.

EXAMPLE FOR NON-SPECIALTY CROPS

- FSN 1234

- Corn:

- 1000 Acres
 - 175 bushel APH

- Soybeans:

- 500 Acres
 - 45 bushel APH

- Oats:

- 250 Acres
 - 70 bushel APH

- Alfalfa:

- 250 Acres
 - 3 ton APH

- FSA 1234

- Corn: $1000 * 175 * \$0.58 * 40\% = \$40,600$

- Soybeans: $500 * 45 * \$0.58 * 54\% = \$7,047 = \$7,500$

- Oats: $250 * \$15 = \$3,750$

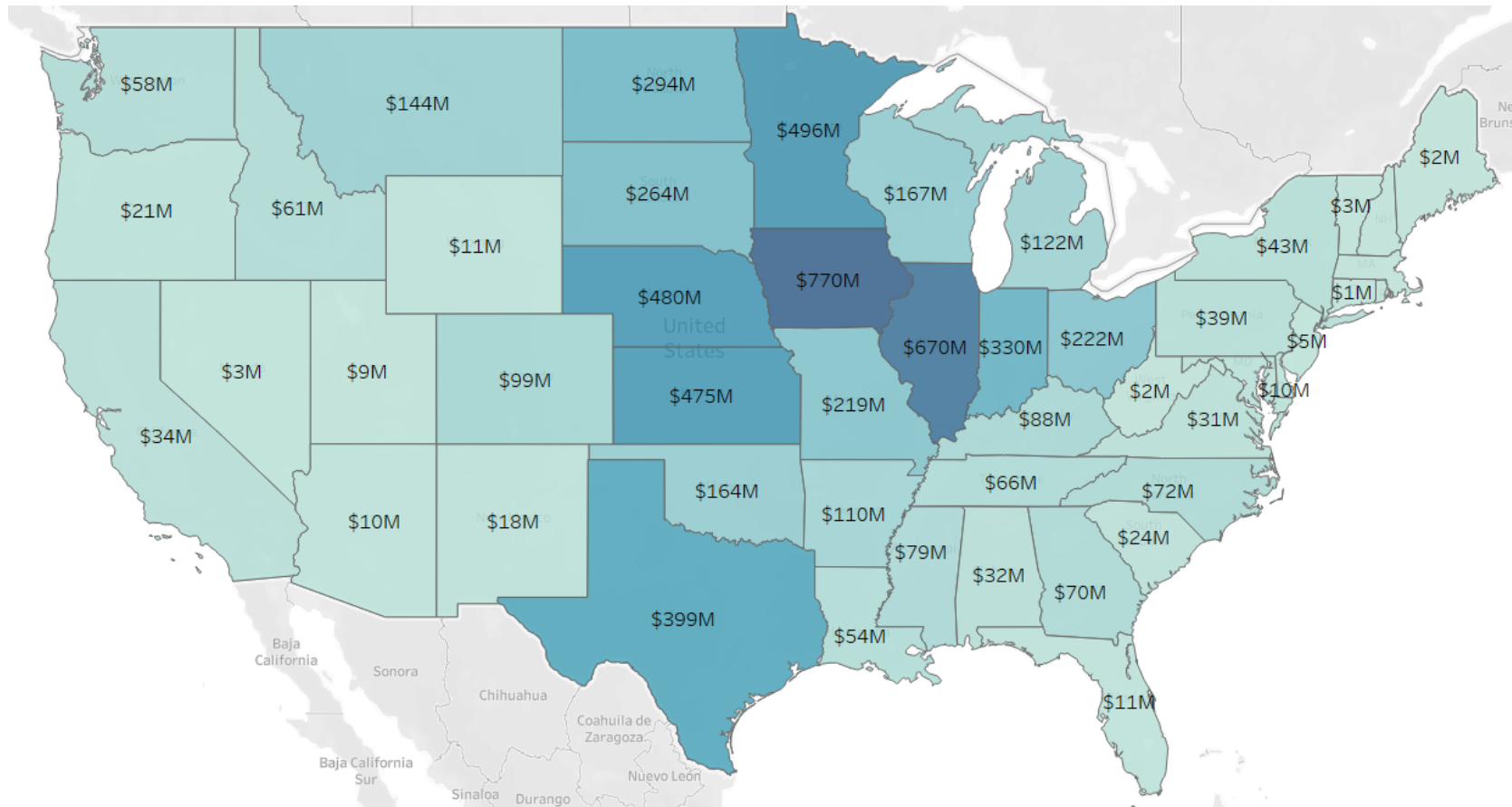
- Alfalfa: $250 * \$15 = \$3,750$

- Total: $\$40,600 + \$7,500 + \$3,750 + \$3,750 =$
\$55,600

**Red Text refers to \$15 minimum payment rate*

CFAP 2 NON-SPECIALTY PAYMENTS BY STATE

**Estimated*



CFAP 2 SPECIALTY CROPS


- Producers will use their 2019 Sales
- Payments will be based on following tiers
 - <\$50,000: 10.6%
 - \$50,000-\$99,999: 9.9%
 - \$100,000-\$499,999: 9.7%
 - \$500,000-\$999,999: 9%
 - >\$1,000,000: 8.8%
- Payments will be made on progressive scale. First \$50,000 at 10.6%, second \$50,000 at 9.9% and so on.


Example: Producer had \$220,737 in 2019 eligible sales

$$\begin{aligned} \$49,999 * 10.6\% &= \$5,300 \\ \$50,000 * 9.9\% &= \$4,950 \\ \$120,738 * 9.7\% &= \$11,712 \\ \text{Total} &= \$5,300 + \$4,950 + \$11,712 \\ &= \$21,962 \end{aligned}$$

PAYMENT LIMITS AND AGI

- \$250,000 payment limit per person, if at risk and actively engaged
- Separate from CFAP 1 and Farm Bill
- Legal entities can qualify for up to 3 payment limits if:
 - Two different members provide at least 400 hours then an entity may receive up to \$500,000.
 - Three different members provide at least 400 hours then an entity may receive up to \$750,000.
 - Special fix for trusts and estates; and direct attribution error from CFAP 1
- AGI - \$900,000, unless 75% of income derived from agriculture

 farmers.gov/cfap


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U.S. DEPARTMENT OF AGRICULTURE


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Coronavirus Food Assistance Program 2

Are you a farmer or rancher whose operation has been directly impacted by the coronavirus pandemic? USDA is implementing Coronavirus Food Assistance Program 2 for agricultural producers who continue to face market disruptions and associated costs because of COVID-19.



USDA's Farm Service Agency will accept CFAP 2 applications from September 21 through December 11, 2020.
Our CFAP 2 Producer Webinar is scheduled for September 24 at 3:00 PM EDT. [Register today!](#)

President Donald J. Trump and U.S. Secretary of Agriculture Sonny Perdue announced on September 17 that USDA will implement an expansion of the Coronavirus Food Assistance Program. Coronavirus Food Assistance Program 2, CFAP 2, will provide producers with financial assistance that gives them the ability to absorb some of the increased marketing costs associated with the COVID-19 pandemic.

CFAP 2 follows the first round of CFAP, which had an application period of May 26 through September 11. You can learn more about USDA's initial Coronavirus Food Assistance Program by visiting [farmers.gov/cfap1](#).

Apply for Coronavirus Food Assistance Program 2

USDA's Farm Service Agency offers multiple options for producers to apply for CFAP 2. Those include:

Apply Online

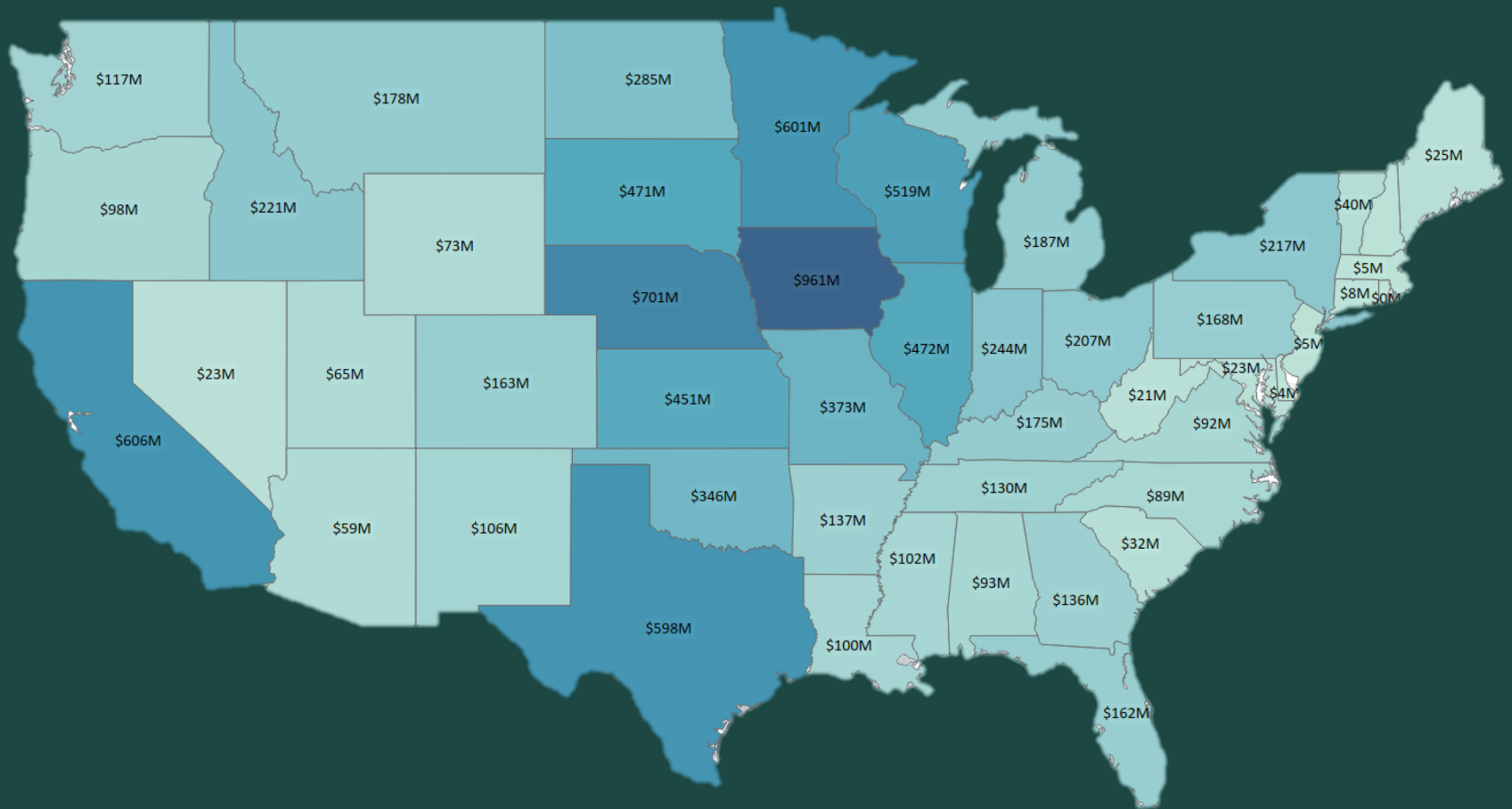
Manually Complete Applications

Fill Application with Payment Calculator

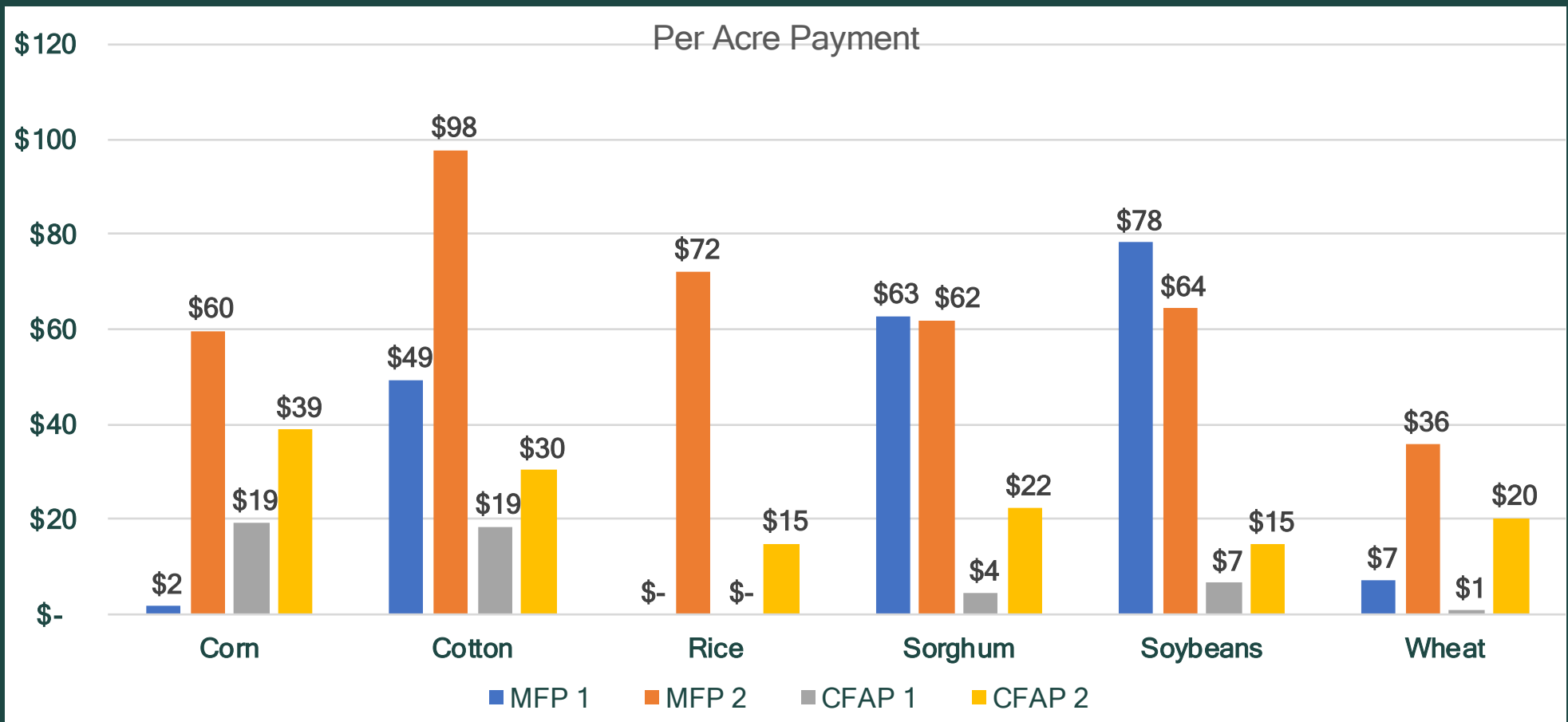
CFAP 1 \$16 B PROMISED - \$10.1 B PAID

Commodity	Expected Payments	Payments Made	Percentage Paid		
			14-Sep	31-Aug	17-Aug
Cattle	\$ 5,440,000,000	\$ 4,217,708,581	78%	75%	72%
Milk	\$ 3,470,000,000	\$ 1,734,551,354	50%	49%	49%
Corn	\$ 2,293,410,000	\$ 1,732,040,632	76%	73%	70%
Hogs	\$ 2,670,000,000	\$ 597,335,198	22%	22%	21%
Soybeans	\$ 845,025,000	\$ 499,182,689	59%	57%	54%
Cotton	\$ 441,864,000	\$ 254,770,234	58%	55%	53%
Almonds	\$ 177,486,000	\$ 99,382,747	56%	50%	46%
Sheep	\$ 28,300,000	\$ 44,359,462	157%	138%	165%
Strawberries	\$ 291,482,000	\$ 42,139,571	14%	14%	12%
Wheat HRS	\$ 49,580,000	\$ 37,156,675	75%	69%	63%
Pecans	\$ 30,040,000	\$ 25,705,417	86%	80%	77%
Sorghum	\$ 52,855,000	\$ 23,591,923	45%	42%	40%
Total for this list	\$ 15,790,042,000	\$ 9,307,924,484	59%	53%	51%
Full Total	\$ 19,220,000,000	\$ 9,921,607,482	52%	49%	47%

CFAP 1 PAYMENTS 9/14



MFP AND CFAP PER ACRE PAYMENTS

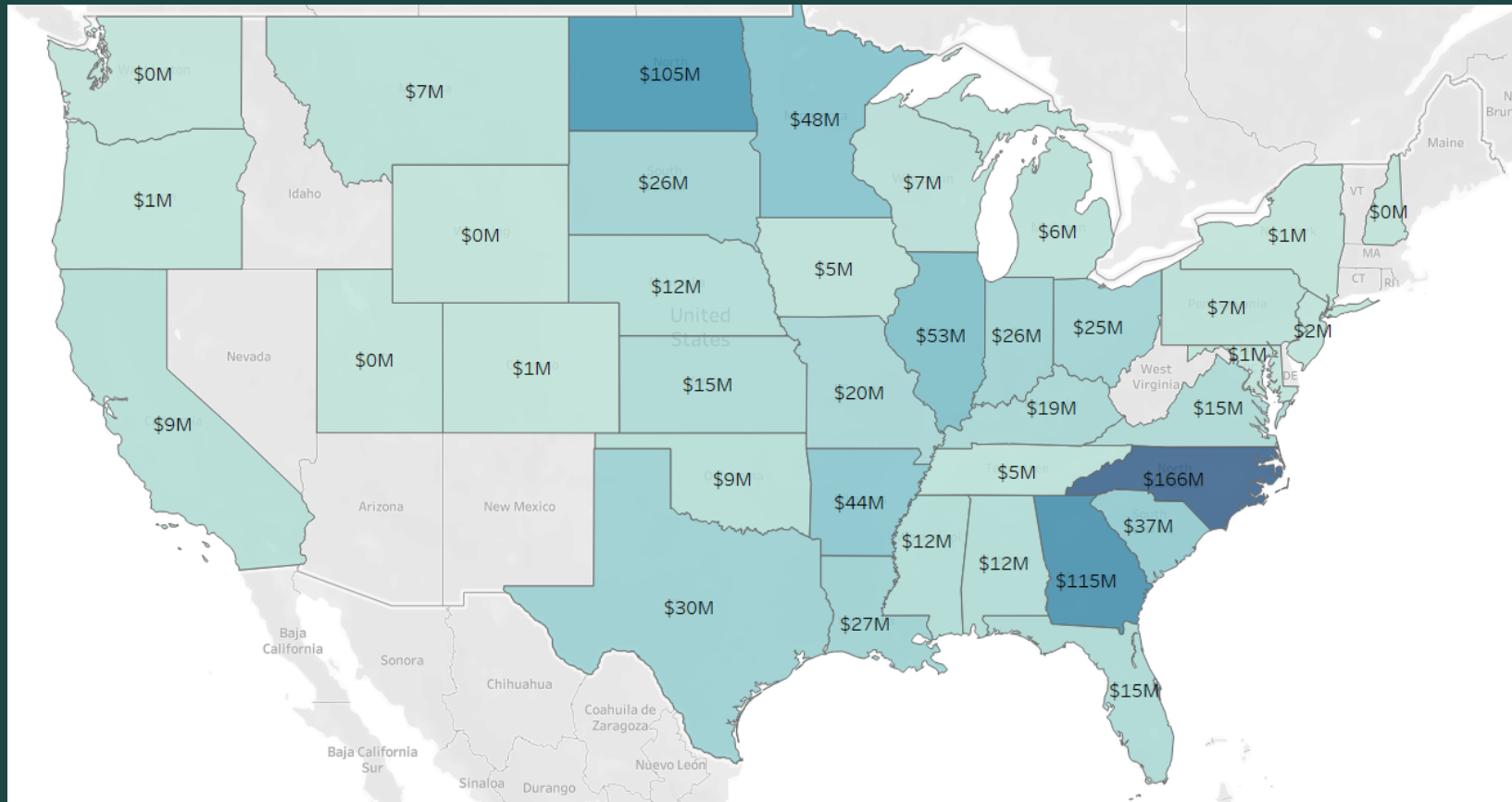


WHIP+

- Hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, wildfires, drought, and excessive moisture that occurred in the 2018 and 2019 calendar years.
- $\text{WHIP+ Payment} = \text{Expected Value of Crop} \times \text{WHIP Factor} - \text{Actual Value of Crop Harvested} \times \text{Payment Factor} - \text{NAP Payment or Crop Insurance Indemnity Received by Producer}$
- Issues
 - FSA Staffing
 - WHIP Download List
 - Quality Loss (still waiting on methodology)

Coverage Level	WHIP+ Factor
Uninsured	70%
CAT/ NAP Basic 50/55	75%
50% - <55%	77.5%
55% - <60%	80%
60% - <65%	82.5%
65% - <70%	85%
70% - <75%	87.5%
75% - <80%	92.5%
> = 80%	95%
Supplemental Coverage Option	95%

WHIP+ Payment Map July 31



**Standard applications only. Does not include PP plus up or sugar beets*

ARC/PLC Reminder - Payments in October

2019 ARC-CO Payment = ARC-CO Payment Rate x Base Acres x 85% x (1 - Sequestration Rate)

- ARC-CO Payment Rate = (ARC-CO Benchmark * 86%) - ARC-CO Actual
 - Cannot exceed 10% of ARC-CO Benchmark
- ARC-CO Benchmark = '13-'17 Olympic Average Yield x '13-'17 Olympic Average Price
- ARC-CO Actual = 2019 Actual County Yield x 2019 MYA Price

2019 PLC Payment = PLC Payment Rate x PLC Payment Yield x Base Acres x 85% x (1 - Sequestration Rate)

Links

- ARC/PLC Information: https://www.fsa.usda.gov/programs-and-services/arcplc_program/index
- RMA County Yield: <https://webapp.rma.usda.gov/apps/actuarialinformationbrowser/>

ARC/PLC PRICES 2019

* As of 9/11/20

Commodity	Unit	2019 ARC-CO Benchmark Price	2019 Actual ARC-CO Price (86% Threshold)	
Wheat	Bushel	\$5.66	\$4.58	F
Barley	Bushel	\$5.26	\$4.69	F
Oats	Bushel	\$2.73	\$2.82	F
Peanuts	Pound	\$0.2675	\$0.2050	F
Corn	Bushel	\$3.70	\$3.60	P
Grain Sorghum	Bushel	\$3.98	\$3.30	P
Soybeans	Bushel	\$9.63	\$8.55	P
Dry Peas	Pound	\$0.1220	\$0.0970	P
Lentils	Pound	\$0.2627	\$0.1550	P
Canola	Pound	\$0.2015	\$0.1480	P
Large Chickpeas	Pound	\$0.3120	\$0.1800	P
Small Chickpeas	Pound	\$0.2423	\$0.1540	P
Sunflower Seed	Pound	\$0.2057	\$0.1940	P
Flaxseed	Bushel	\$11.456	\$9.130	P
Mustard Seed	Pound	\$0.3310	\$0.3070	P
Rapeseed	Pound	\$0.2840	\$0.1890	P
Safflower	Pound	\$0.2340	\$0.2190	P
Crambe	Pound	\$0.3583	\$0.2270	P
Sesame Seed	Pound	\$0.3900	\$0.3700	P
Seed cotton 5/	Pound	\$0.3670	\$0.3048	P
Rice (long grain)	Pound	\$0.1400	\$0.1200	P
Rice (med/short grain) 6/	Pound	\$0.1413	\$0.1160	P
Rice (temperate japonica)	Pound	\$0.1963	\$0.1870	P

Commodity	Unit	2019 Effective Reference Price	2019 Effective Price		2019 PLC Payment Rate	
Wheat	Bushel	\$5.50	\$4.58	F	\$0.92	F
Barley	Bushel	\$4.95	\$4.69	F	\$0.26	F
Oats	Bushel	\$2.40	\$2.82	F	\$0.00	F
Peanuts	Pound	\$0.2675	\$0.2050	F	\$0.0625	F
Corn	Bushel	\$3.70	\$3.60	P	\$0.10	P
Grain Sorghum	Bushel	\$3.95	\$3.30	P	\$0.65	P
Soybeans	Bushel	\$8.40	\$8.55	P	\$0.00	P
Dry Peas	Pound	\$0.1100	\$0.0970	P	\$0.0130	P
Lentils	Pound	\$0.2233	\$0.1550	P	\$0.0683	P
Canola	Pound	\$0.2015	\$0.1480	P	\$0.0535	P
Large Chickpeas	Pound	\$0.2477	\$0.1800	P	\$0.0677	P
Small Chickpeas	Pound	\$0.2060	\$0.1540	P	\$0.0520	P
Sunflower Seed	Pound	\$0.2015	\$0.1940	P	\$0.0075	P
Flaxseed	Bushel	\$11.284	\$9.130	P	\$2.154	P
Mustard Seed	Pound	\$0.2317	\$0.3070	P	\$0.0000	P
Rapeseed	Pound	\$0.2317	\$0.1890	P	\$0.0427	P
Safflower	Pound	\$0.2015	\$0.2190	P	\$0.0000	P
Crambe	Pound	\$0.2317	\$0.2270	P	\$0.0047	P
Sesame Seed	Pound	\$0.2317	\$0.3700	P	\$0.0000	P
Seed cotton 2/	Pound	\$0.3670	\$0.3048	P	\$0.0622	P
Rice (long grain)	Pound	\$0.1400	\$0.1200	P	\$0.0200	P
Rice (med/short grain) 3/	Pound	\$0.1400	\$0.1160	P	\$0.0240	P
Rice (temperate japonica)	Pound	\$0.1730	\$0.1870	P	\$0.0000	P