

## USDA Announces \$14 Billion For CFAP Round 2

On Friday, [USDA announced](#) an additional \$14 billion will be made available to farmers impacted by the coronavirus pandemic. With applications already being accepted, Georgia fruit and vegetable producers may find this round of support more favorable than the initial program available this summer.

“America’s agriculture communities are resilient, but still face many challenges due to the COVID-19 pandemic. President Trump is once again demonstrating his commitment to ensure America’s farmers and ranchers remain in business to produce the food, fuel, and fiber America needs to thrive,” said Secretary Perdue. “We listened to feedback received from farmers, ranchers and agricultural organizations about the impact of the pandemic on our nations’ farms and ranches, and we developed a program to better meet the needs of those impacted.”

Under the new program, specialty crops like fruits and vegetables will largely be classified in the “Sales Commodities” category. Payment calculations will be based on 2019 farm sales and producers will be paid on a 5-tier graduated payment schedule.

### CFAP 2 Payments for Sales Specialty Crops

Payments for fruits, vegetables, horticulture, tree nuts, honey, and maple sap will be based on the producer’s 2019 sales of eligible commodities in a declining block format using the following payment factors, and will be equal to:

1. The amount of the producer’s eligible sales in calendar year 2019, multiplied by
2. The payment rate for that range.

2019 Sales Range	Percent Payment Factor for the Producer’s 2019 Sales of Eligible Commodities Falling in the Range
\$0 to \$49,999	10.6%
\$50,000 to \$99,999	9.9%
\$100,000 to \$499,999	9.7%
\$500,000 to \$999,999	9.0%
Sales over \$1 million	8.8%

Payments for fruit, vegetable, horticulture, tree nut, honey, and maple sap producers who began farming in 2020 and had no sales in 2019 will be based on the producer’s actual 2020 sales as of the producer’s application date.

Eligible sales only include sales of raw commodities grown by the producer. The portion of sales derived from adding value to the commodity, such as processing and packaging, and from sales of products purchased for resale, is not included in the payment calculation.

Example: A producer's 2019 sales of eligible commodities totaled \$75,000. The payment is calculated as (\$49,999 times 10.6%) plus (\$25,001 times 9.9%) equals a total payment of \$7,775.

Additional examples of CFAP 2 sales commodity calculations for five hypothetical specialty commodity producers can be found on page 22 of the Cost-Benefit Analysis published under CFAP 2 Resources on [farmers.gov/cfap](https://farmers.gov/cfap). We recommend referencing these examples to calculate your estimated CFAP 2 payments for fruits, vegetables, horticulture, tree nuts, maple sap, and honey.

### **Eligibility**

There is a payment limitation of \$250,000 per person or entity for all commodities combined. Applicants who are corporations, limited liability companies, 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 CFAP 1 and 2.

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.

### **Applying for Assistance**

Producers can apply for assistance beginning Sept. 21, 2020. Applications will be accepted through Dec. 11, 2020.

Additional information and application forms can be found at [farmers.gov/cfap](https://farmers.gov/cfap). Documentation to support the producer's application and certification may be requested. All other eligibility forms, such as those related to adjusted gross income and payment information, can be downloaded from [farmers.gov/cfap/apply](https://farmers.gov/cfap/apply). For existing FSA customers, including those who participated in CFAP 1, many documents are likely already on file. Producers should check with FSA county office to see if any of the forms need to be updated.

Customers seeking one-on-one support with the CFAP 2 application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance. This is a recommended first step before a producer engages with the team at the FSA county office.