

# Coronavirus Food Assistance Program (CFAP)



- **Signup Dates**
  - May 26, 2020 to August 28, 2020
- **AD-3114, CFAP Application**
  - One application per producer
  - Producer Certification
    - Documentation is **only** required upon spot check or when requested by COC
  - Completed AD-3114 can be submitted to any USDA Service Center
    - All USDA Service Centers are currently closed to the public
    - Find your center: <https://offices.sc.egov.usda.gov/locator/app>
    - We continue to serve our customers through phone appointments, email, and mail
    - Recording County is responsible for acting on approval/disapproval
    - Applications can be found at [www.farmers.gov/cfap](http://www.farmers.gov/cfap) and can be faxed, emailed, or mailed to the office. For those without internet access, please call the county office to request a mailed application

- **How were eligible commodities determined?**
  - Commodities that showed a 5% decline in future prices between January 13-17, 2020 and April 6-9, 2020
- **Sources of Payments**
  - CARES funds (\$9.5 billion)
  - CCC funds (\$6.5 billion)
    - 80% of payment issued after approval, 20% **may** be issued at a later date
    - Not subject to sequestration

- **Non-Specialty**

- CARES Act Formula
  - 2019 Total Production Not Sold as of Jan. 15, 2020, NTE 50% of 2019 Production x 50% x CARES Act Rate (in table below)
- CCC Charter Act Formula
  - 2019 Total Production Not Sold as of Jan. 15, 2020, NTE 50% of 2019 Production x 50% x CCC Rate (in table below)

| Commodity                       | Unit of Measure | CARES Act Rate | CCC Rate |
|---------------------------------|-----------------|----------------|----------|
| Canola                          | LB              | \$0.01         | \$0.01   |
| Corn                            | BU              | \$0.32         | \$0.35   |
| Durum Wheat                     | BU              | \$0.19         | \$0.20   |
| HRS Wheat                       | BU              | \$0.18         | \$0.20   |
| Malting Barley                  | BU              | \$0.34         | \$0.37   |
| Millet                          | BU              | \$0.31         | \$0.34   |
| Oats                            | BU              | \$0.15         | \$0.17   |
| Sorghum                         | BU              | \$0.30         | \$0.32   |
| Soybeans                        | BU              | \$0.45         | \$0.50   |
| Sunflowers                      | LB              | \$0.02         | \$0.02   |
| Upland Cotton                   | LB              | \$0.09         | \$0.10   |
| Wool (graded, clean basis)      | LB              | \$0.71         | \$0.78   |
| Wool (non-graded, greasy basis) | LB              | \$0.36         | \$0.39   |

# CFAP – Intended Uses

- Intended Use table – 1-CFAP, Par. 137

| Crop Name              | Type Name   |   | Intended Use       |
|------------------------|---|---|--------------------|
| Barley 1/              | All   |   | FG, GR, SD         |
| Canola                 | All   |   | SD, GR, PR         |
| Corn                   | <ul style="list-style-type: none"> <li>• Amylose</li> <li>• Blue</li> <li>• Grainless Forage</li> <li>• High Amylase</li> <li>• Popcorn</li> <li>• Red</li> </ul> | <ul style="list-style-type: none"> <li>• Strawberry Popcorn</li> <li>• Tropical</li> <li>• Waxy</li> <li>• White</li> <li>• Yellow</li> </ul> | FH, GR, PR, SD, SG |
| Millet                 | All   |   | FG, GR, SD         |
| Oats                   | All   |   | FG, GR, SD         |
| Sorghum                | All   |   | FG, GR, SD, SG     |
| Sorghum, Forage        | All   |   | FG, PR, SD, SG     |
| Sorghum, Dual Purpose  | All   |   | FG, GR, SD, SG     |
| Soybeans               | All   |   | FG, FH, GR, SD, PR |
| Sunflowers             | All   |   | All                |
| Upland Cotton          |   |   |                    |
| Wheat, Durum           | Hard Amber Durum, Winter<br>Hard Amber Durum, Spring  |   | FG, GR, SD         |
| Wheat, Hard Red Spring | Hard Red Spring   |   | FG, GR, SD         |

- County Offices have access to conversion factors to use on commodities such as silage, etc.
  - Example:** Farmer A's corn was harvested as silage. All production is weighed at 739.5 tons of corn silage. The actual corn grain production for that year would be 5,872 bushels. (739.5 tons x 7.94 bu. per ton = 5,872 bushels)

# CFAP - Eligibility

- **Conservation/Compliance (HELC & WC) requirements are applicable to CFAP participants**
  - Highly Erodible & Wetland Compliance required
- **Payment Limitation**
  - Actively Engaged in Farming and Cash Rent Tenant provisions are **NOT applicable** to CFAP
  - Total CFAP Payment Limitation is \$250,000 for all commodities
    - Partnerships or Joint Ventures have a \$250,000 Payment Limitation per “Partner” or “Member”
- **Optional INCREASE in Payment Limitation for Corporations, LLC, and Limited Partnerships**
  - CFAP applicants that are Corporations, LLCs and/or Limited Partnerships may request an “Increase” in the \$250,000 Payment Limitation to either \$500,000 or \$750,000 if each of the additional members, not to exceed three, EACH provide at least 400 hours or more of active personal labor or management or a combination of labor and management. The maximum Payment Limitation amount for the above entities meeting the required contributions of labor and/or management is \$750,000

- **Direct Attribution requirements**

- CFAP payments will be attributed down to the individual members of an entity to the 4 level, starting with the direct payment entity. This means CFAP payments made directly or indirectly to an individual cannot exceed \$250,000 in total
- Common Attributions rules for minors to parents are NOT applicable to CFAP payments

- **Adjusted Gross Income (AGI) requirements**

- AGI is applicable to CFAP utilizing the 2020 program year. The average AGI cannot exceed \$900,000 for the three applicable years, 2016, 2017 & 2018. 2019 is not utilized in the calculation. Form CCC-941 is required to be completed for individuals and entities, including members of entities
- **EXCEPTION:** If at least 75% of the persons or entity's average AGI is derived from farming, ranching, or forestry operations, then the \$900,000 AGI is not applicable. Form CCC-942 is required to be submitted by the producer and a CPA is required to sign or provide a CPA statement attesting to the 75% requirement listed above

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