

# 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

- **Livestock**

- Eligible livestock will be paid the sum of the results of
  - Part 1 – CARES Act Funds
    - Payment is calculated by multiplying the number of livestock sold between January 15 and April 15, 2020 by the payment rate per head (livestock must have been owned by the producer on January 15, any offspring born from that same inventory are eligible)
  - Part 2 – CCC Charter Act Funds
    - Payment is calculated by multiplying the highest livestock inventory between April 16, 2020 and May 14, 2020 by the payment rate per head

<b>Livestock</b>	<b>Eligible Livestock</b>	<b>Unit of Measure</b>	<b>CARES Act Part 1 Payment Rate</b>	<b>CCC Part 2 Payment Rate</b>
Cattle	Feeder Cattle: Less Than 600 Pounds	Head	\$102.00	\$33.00
	Feeder Cattle: 600 Pounds or More	Head	\$139.00	\$33.00
	Slaughter Cattle: Fed Cattle	Head	\$214.00	\$33.00
	Slaughter Cattle: Mature Cattle	Head	\$92.00	\$33.00
	All Other Cattle	Head	\$102.00	\$33.00
Hogs & Pigs	Pigs: Less Than 120 Pounds	Head	\$28.00	\$17.00
	Hogs: 120 Pounds or More	Head	\$18.00	\$17.00
Lambs & Yearlings	All Sheep Less Than 2 Years Old	Head	\$33.00	\$7.00

- **Livestock, further defined**

- **All other cattle** mean commercially raised or maintained bovine animals not meeting the definition of another category of cattle in this rule excluding beefalo, bison, and animals used for dairy production or intended for dairy production.
- **Cattle** means commercially raised or maintained bovine animals, excluding beefalo, bison, and animals used for dairy production or intended for dairy production.
- **Feeder cattle 600 pounds or more** means cattle weighing more than 600 pounds but less than slaughter cattle-fed cattle as defined.
- **Feeder cattle less than 600 pounds** means cattle weighing less than 600 pounds.
- **Hogs** means any swine 120 pounds or more.
- **Lambs and yearlings** mean all sheep less than 2 years old.
- **Pigs** means any swine weighing less than 120 pounds.
- **Slaughter cattle-fed cattle** means cattle with an average weight of 1,400 pounds (including cattle with a weight of 1,200 – 1,600 pounds) which yield average carcass weights of 800 pounds and are intended for slaughter.
- **Slaughter cattle-mature cattle** means culled cattle raised or maintained for breeding purposes, but which were removed from inventory and are intended for slaughter.

# CFAP – Livestock examples

## CFAP Livestock Application and Payment Examples

### Example 1 – Cow Calf Operation

Producer DJB Cattle Co had the following livestock in inventory on January 15, 2020:

- 500 bred cows
- 15 herd bulls
- 50 replacement heifers.

Between January 15, 2020, and April 15, 2020, DJB certified that he sold the following livestock:

- 10 cull cows
- 7 baby calves born after January 15, 2020.

DJB certified that the highest inventory on a day between April 16, 2020, and May 14, 2020, was the following:

- 480 cow/calf pairs
- 18 herd bulls
- 75 replacement heifers.

The AD-3114, Part E, would be completed as follows.

PART E – LIVESTOCK INFORMATION				COC USE ONLY	
19. Livestock	20. Unit of Measure	21. Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22. Inventory (Highest Between April 16, 2020 - May 14, 2020)	23. COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24. COC Adjusted Inventory
Feeder Cattle: Less than 800 Pounds	Head	7	480	480 calves	
Slaughter Cattle: Mature Cattle	Head	10			
All Other Cattle	Head		573	480 cows + 18 bulls + 75 heifers = 573	

If all eligibility requirements are met, the estimated gross CFAP payment calculation, before reductions, if applicable, would be the following.

Livestock	Unit of Measure	Part 1 (CARES Act) Payment			Part 2 (CCC) Payment		
		Sales Jan 15 - April 15	Payment Rate	Calculated Pmt	Highest Inventory April 16 - May 14	Payment Rate	Calculated Pmt
Feeder Cattle: Less Than 600 Pounds	Head	7	\$102.00	\$ 714	480	\$ 33.00	\$ 15,840
Slaughter Cattle: Mature Cattle	Head	10	\$ 92.00	\$ 920		\$ 33.00	\$ -
All Other Cattle	Head		\$102.00	\$ -	573	\$ 33.00	\$ 18,909
Total CARES Act Part 1 Payment				\$ 1,634	Total CCC Part 2 Payment		\$ 34,749
Total Estimated Gross CFAP Payment Before Any Reductions (PL, etc.)							\$ 36,383

# CFAP – Livestock examples, cont'd...

## CFAP Livestock Application and Payment Examples (Continued)

### Example 2 – Cattle Feeder Operation

Producer 5R Feeders had 7500 feeder calves over 600 pounds in inventory on January 15, 2020.

Between January 15 and April 15, 2020, 5R certified that they sold 3500 fat steers at slaughter weight (over 1400 pounds).

5R certified that their highest inventory between April 16, 2020, and May 14, 2020, was the following:

- 150 fat steers at slaughter weight (over 1400 pounds)
- 5000 feeder calves over 600 pounds.

The AD-3114, Part E, would be completed as follows.

PART E – LIVESTOCK INFORMATION			COC USE ONLY		
19. Livestock	20. Unit of Measure	21. Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22. Inventory (Highest Between April 16, 2020 - May 14, 2020)	23. COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24. COC Adjusted Inventory
Slaughter Cattle: Fed Cattle	Head	3500	150		
Feeder Cattle: 600 Lbs or More	Head		5000		

If all eligibility requirements are met, the estimated gross CFAP payment calculation, before reductions, if applicable, would be the following.

Livestock	Unit of Measure	Part 1 (CARES Act) Payment			Part 2 (CCC) Payment		
		Sales Jan 15 - April 15	Payment Rate	Calculated Pmt	Highest Inventory April 16 - May 14	Payment Rate	Calculated Pmt
Feeder Cattle: 600 Pounds or More	Head		\$139.00	\$ -	5000	\$ 33.00	\$ 165,000
Slaughter Cattle: Fed Cattle	Head	3500	\$214.00	\$ 749,000	150	\$ 33.00	\$ 4,950
		Total CARES Act Part 1 Payment		\$ 749,000	Total CCC Part 2 Payment		\$ 169,950
Total Estimated Gross CFAP Payment Before Any Reductions (PL, etc.)							<b>\$ 918,950</b>

Note: If 5R Feeders was owned by one individual, the CFAP payment would be reduced to \$250,000. See paragraph 16.

## **Livestock CFAP Payment Computations (Continued)**

### **C CFAP Livestock Application and Payment Examples (Continued)**

#### **Example 3 – Short Term Cattle Grazing Operation**

Producer Farr Cattle (Farr) purchased 750 lightweight feeder calves (less than 600 pounds) on February 1, 2020 to graze on wheat pasture. Farr sold the feeder calves (more than 600 pounds) on April 1, 2020. Farr's AD-3114 would be disapproved by the COC for the following reasons:

- Farr had livestock sales on April 1, 2020 but did not own the livestock on January 15, 2020; therefore, Farr did not have livestock eligible for the Part 1 payment
- Farr did not have any livestock in inventory from April 16, 2020 and May 14, 2020 therefore Farr did not have livestock that are eligible for Part 2 payment.



# CFAP – Livestock examples, cont'd...

## Livestock CFAP Payment Computations (Continued)

### C CFAP Livestock Application and Payment Examples (Continued)

#### Example 4 – Farrow to Wean Hog Operation

Producer Cooper Floyd had the following livestock in inventory on January 15, 2020:

- 75 bred sows
- 5 boars.

Between January 15, 2020, and April 15, 2020, Floyd sold 500 weaned pigs.

Floyd certified that his highest inventory between April 16, 2020, and May 14, 2020, was the following:

- 100 sows
- 5 boars
- 25 gilts (less than 120 lbs.).

The AD-3114, Part E, would be completed as follows.

PART E – LIVESTOCK INFORMATION				COC USE ONLY	
19 Livestock	20 Unit of Measure	21 Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	22 Inventory (Highest Between April 16, 2020 - May 14, 2020)	23 COC Adjusted Jan 15, 2020 - April 15, 2020 Sales of Owned Inventory as of Jan 15, 2020 & Any Offspring From Owned Inventory	24 COC Adjusted Inventory
Pigs: Less Than 120 lbs	Head	500	25		
Hogs: 120 lbs or More	Head		105		

**Note:** Floyd's 500 weaned pigs that he sold between January 15, 2020, and April 15, 2020, are eligible for Part 1 because they are offspring from the sows in inventory on January 15, 2020.

### CFAP Livestock Application and Payment Examples (Continued)

#### Example 4 – Farrow to Wean Hog Operation (Continued)

If all eligibility requirements are met, the estimated gross CFAP payment calculation, before reductions, if applicable, would be the following:

Livestock	Unit of Measure	Part 1 (CARES Act) Payment			Part 2 (CCC) Payment		
		Sales Jan 15 - April 15	Payment Rate	Calculated Pmt	Highest Inventory April 16 - May 14	Payment Rate	Calculated Pmt
Hogs & Pigs: Pigs Less than 120 lbs	Head	500	\$ 28.00	\$ 14,000	25	\$ 17.00	\$ 425
Hogs & Pigs: Hogs 120 lbs or More	Head		\$ 18.00	\$ -	105	\$ 17.00	\$ 1,785
		Total CARES Act		\$ 14,000	Total CCC Part 2		\$ 2,210
<b>Total Estimated Gross CFAP Payment Before Any Reductions (PL, etc.) \$ 16,210</b>							

# CFAP – Commodity 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 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)

- **Eligible Dairy Operations**
  - Eligible Dairy Operations who commercially market milk in the US are eligible for CFAP
- **Eligible Milk Production**
  - milk commercially marketed for the months of January, February, and March 2020
  - dumped milk during the months of January, February, and March 2020
- **CFAP Payments for eligible milk production will be the sum of the results from the following two formulas:**
  - Part 1 (funded by CARES Act) will pay \$0.0471 per pound of the three-month milk production
  - Part 2 (funded by CCC) will pay \$0.0147 per pound of the three-month milk production with an adjustment factor of 1.014

# 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

- Amanda De Jong, SED
  - 515-331-8480
  - [amanda.dejong@usda.gov](mailto:amanda.dejong@usda.gov)
- Kevin McClure - Eligibility
  - 515-331-8470
  - [kevin.mcclure@usda.gov](mailto:kevin.mcclure@usda.gov)
- Justin Muir - Livestock
  - 515-331-8461
  - [justin.muir@usda.gov](mailto:justin.muir@usda.gov)
- Katie Kramer - Crops
  - 515-331-8462
  - [katie.kramer@usda.gov](mailto:katie.kramer@usda.gov)