

# ECONOMIC & POLICY UPDATE

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## Additional CFAP Funding Announced

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USDA announced on this past Friday that additional Coronavirus Food Assistance Program (CFAP) payments (labeled CFAP 2.1) will be made for certain producers using leftover funds from the first two rounds of CFAP. These payments address some of the components outlined in the Consolidated Appropriations Act of 2021, that became law this past December, but not all (see “Note” below). Specifically, CFAP 2.1 accounts for the following:

- Contract poultry and hog producers will receive payments that cover 80% of the pandemic-related revenue losses from January 1, 2020, through December 27, 2020, compared to the same period in 2019. Eligible producers can now apply for payments between January 19, 2021 through February 26, 2021 by contacting their [local USDA Farm Service Agency](#) (FSA) office.
- Swine producers with approved CFAP 1.0 applications, will automatically receive (no need to reapply with FSA) a “top-up” payment of \$17 per head to accommodate a revised 50% pork producers’ pandemic-related losses based on hog and pig inventory owned between April 16, 2020, to May 14, 2020.
- Specialty producers – including fruit, vegetable, aquaculture, tobacco, specialty livestock, nursery crops and floriculture who have already qualified for CFAP 2.0 as sales-based commodities, will be allowed to adjust previous payments to account for 2019 crop insurance indemnities, Noninsured Disaster Assistance Program (NAP) payments, and Wildfire and Hurricane Indemnity Program (WHIP+) payments. Producers can make modifications on existing CFAP 2.0 applications between January 19, 2021 and February 26, 2021.
- Turf grass and pullet producers (two groups which have not been eligible for previous CFAP payments) will be eligible for payments based on 2019 sales plus 2019 crop insurance indemnities, NAP and WHIP+ payments. Eligible producers must apply between January 19, 2021 and February 26, 2021 at their local FSA office.

- Row crop producers (primarily corn, sorghum, soybeans, wheat, and barley producers in Kentucky) who had crop insurance for the 2020 crop year, but did not have an available (APH) approved yield, will be eligible for an “updated” payment based upon 100% of the 2019 ARC-CO benchmark yield versus 85% used in earlier CFAP 2.0 calculations. Eligible grain producers should modify existing CFAP2.0 applications by February 26, 2021.

For more information on CFAP 2.1, [click here](#).

Also visit [farmers.gov/cfap2/apply](https://farmers.gov/cfap2/apply) to learn more about modifying an existing CFAP 2.0 application.

Note: CFAP 2.1 does not cover the additional \$20/acre payment for row crop producers, additional payments for cattle producers, expanded Dairy Margin Coverage program payments, funds to assist livestock producers who had to depopulate their inventories based on COVID-induced processing issues and several other programs which were all outlined in the most recent enacted stimulus package. These payments (i.e. CFAP 3.0) and sign-up details will be issued later once the rules and regulations are released by the incoming administration. We will update you as soon as this information is made available.

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