CFAP is a new USDA program to assist farmers and ranchers in response to the COVID-19 national emergency. The $19 billion program includes two major elements $16 billion in direct payments to farmers and ranchers and $3 billion in food purchases. The following FAQ focuses on the $16 billion in Direct Payments to Farmers and Ranchers.

1. **How the money is proposed to be allocated:**
   - $9.6 billion will be directed toward the livestock industry
     - $5.1 billion for cattle
     - $2.9 billion for dairy
     - $1.6 billion for hogs
   - $3.9 billion will be directed toward producers of row crops;
   - $2.1 billion will be directed toward specialty crop producers; and
   - $500 million will be directed toward producers of all other crops.

While the package was designed to be inclusive of the agricultural sectors hardest hit by the pandemic, not all of the damaged agricultural producers have been directly identified. For example, livestock sectors such as poultry and lamb have not yet been referenced in any provisions. That said, it is expected that producers of crops and livestock not specifically mentioned in CFAP’s provisions will have the opportunity to demonstrate losses to the Farm Service Agency (FSA) and Agricultural Marketing Service (AMS) on a case-by-case basis in order to receive CFAP support.

2. **How farmers and ranchers will be compensated:**
   - The direct assistance to farmers will be made with one payment comprised of the sum of two parts.
   - The first payment calculation will total 85% of the price loss experienced from January 1 to April 15, 2020 (per commodity).
   - The second payment calculation will total 30% of a producer’s expected losses for the two quarters after April 15, 2020 (April through October 15, 2020).
   - Payments are intended to be made by end of May or early June.

3. **How farmers and ranchers will be deemed eligible:**
   - A commodity must have declined in price by at least 5% between January and April 15, 2020. The price series USDA will use to determine eligibility is uncertain.
This is important especially for Vermont dairy as Agrimark’s quota reduction for example, didn’t go into effect until May 1. So did the pay price drop by at least 5% from Jan to April 15 to meet the minimum to be eligible? When did DFA quota reductions go into effect?

- Payments will be limited to people or entities with an adjusted gross income of under $900,000, unless at least 75% of their income is derived from agriculture.

4. Limitations
- Payment limits are set at $125,000 per commodity with an overall limit of $250,000 per individual or entity.
- USDA has yet to decide if spouses will also be eligible for relief (creating a $500,000 limit per farm couple). USDA indicated that it may consider other farm program benefits in order to prevent farmers from receiving duplicative payments across multiple programs.”
- USDA has indicated that CFAP may take into consideration other farm program benefits when calculating payment limitations, which could limit CFAP payments in cases where a producer is receiving payments in other federal safety net programs.
- The exact program limitations and qualifying support are unknown at the present time. The direct payment program will be administered by the Farm Service Agency and the Agricultural Marketing Service.

5. Enrollment and Additional Details
- Farms must contact their Farm Service Agency county office at their local USDA Service Center to schedule an appointment to begin the application process.
- More details will be forthcoming by the Farm Service Agency in the upcoming weeks.
- Access more information at: [https://www.farmers.gov/cfap](https://www.farmers.gov/cfap)