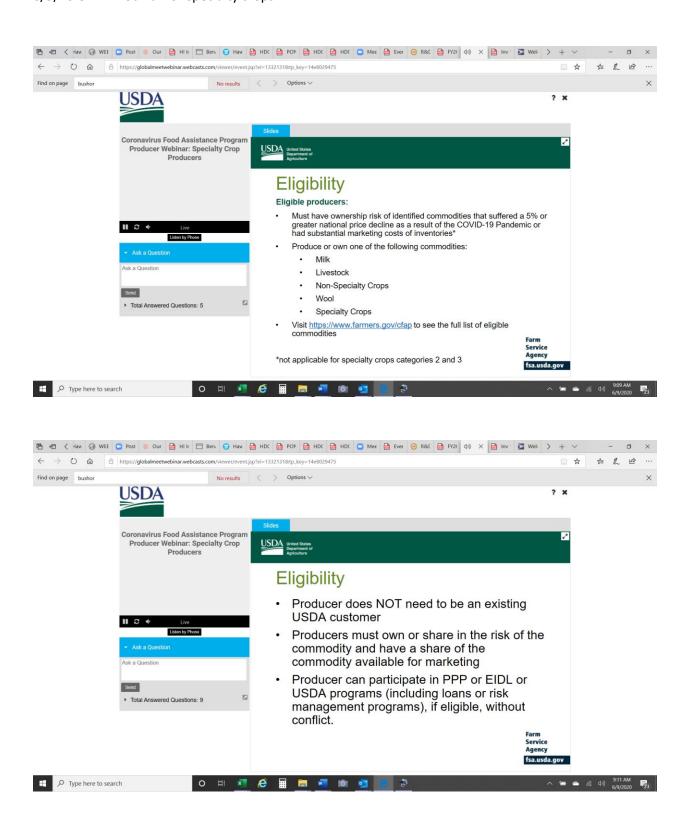
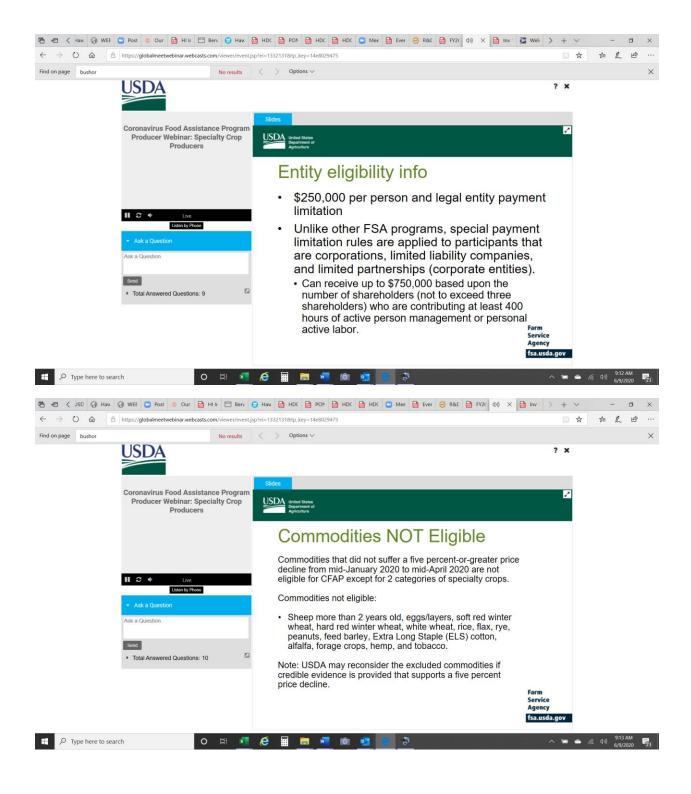
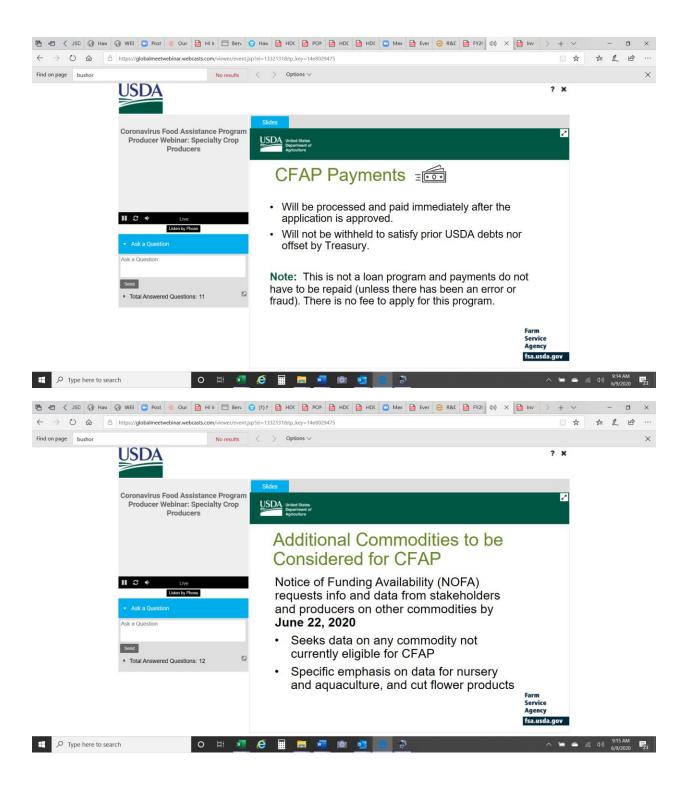
6/9/20 CFAP Webinar for specialty crops





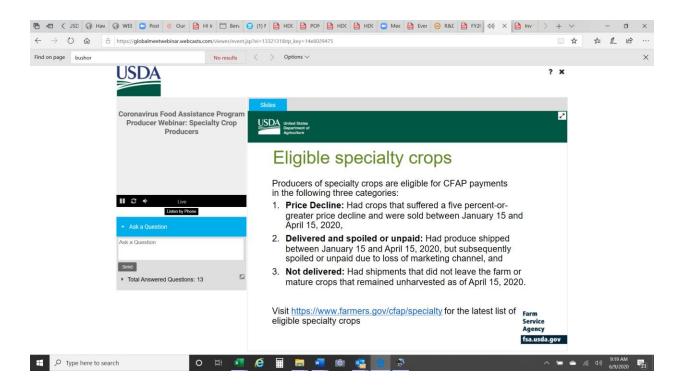
Note: USDA may reconsider the excluded commodities if credible evidence is provided that supports a five percent price decline.



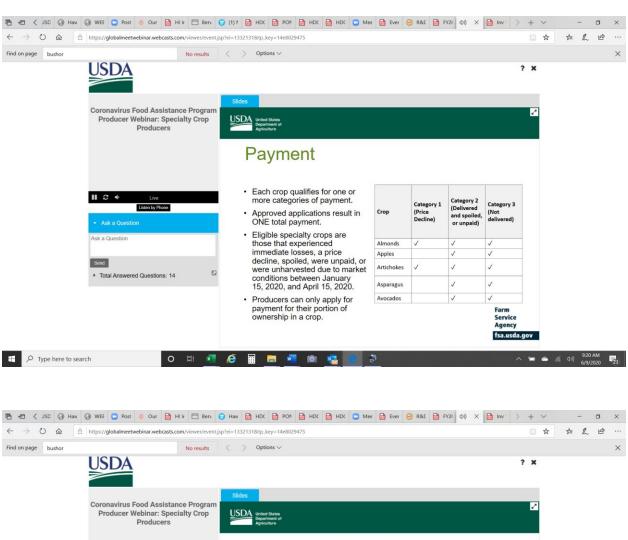
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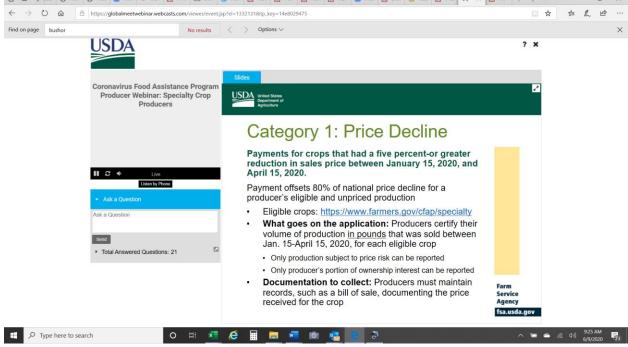
Quantity and price of crop on April 15, without crop insurance

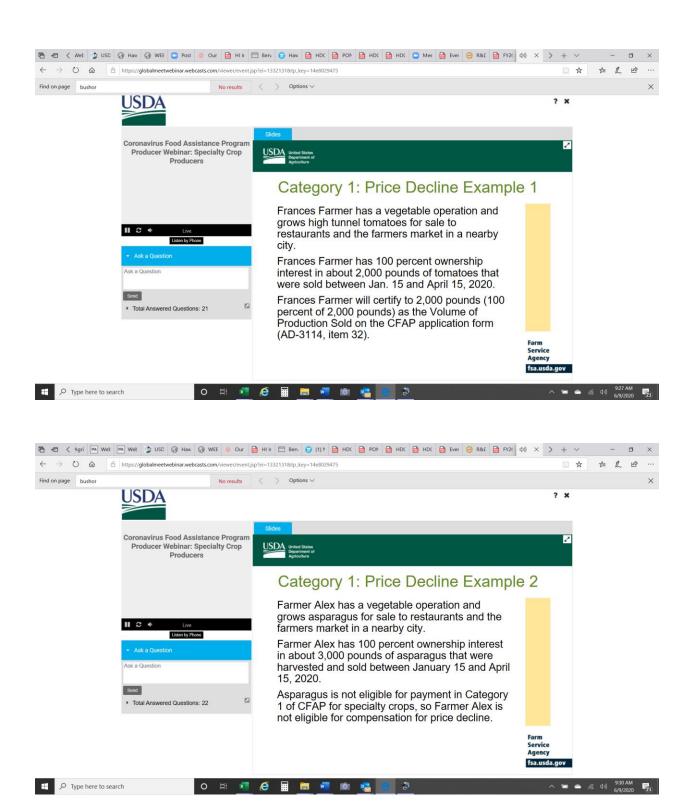
Quantity and price of crop that did not leave farm by April 15

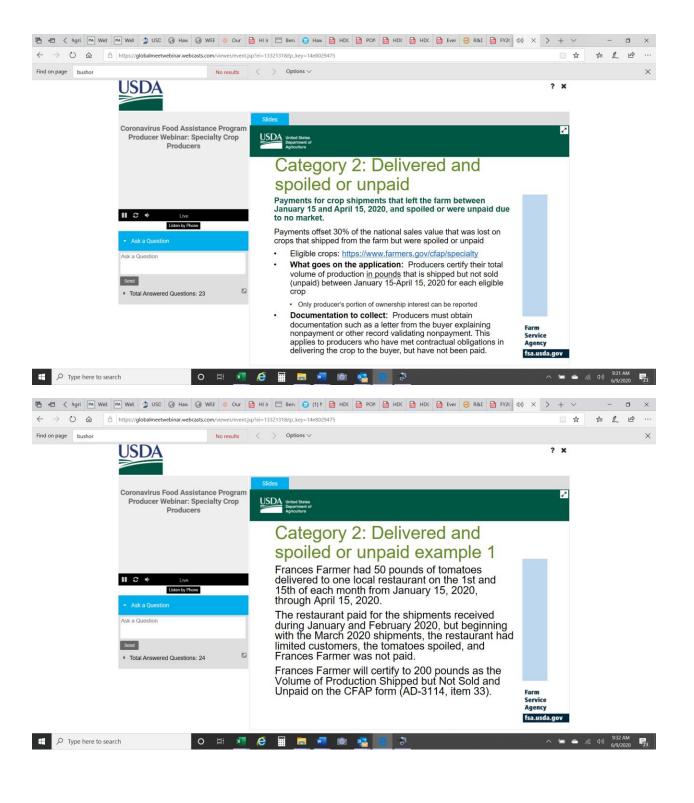


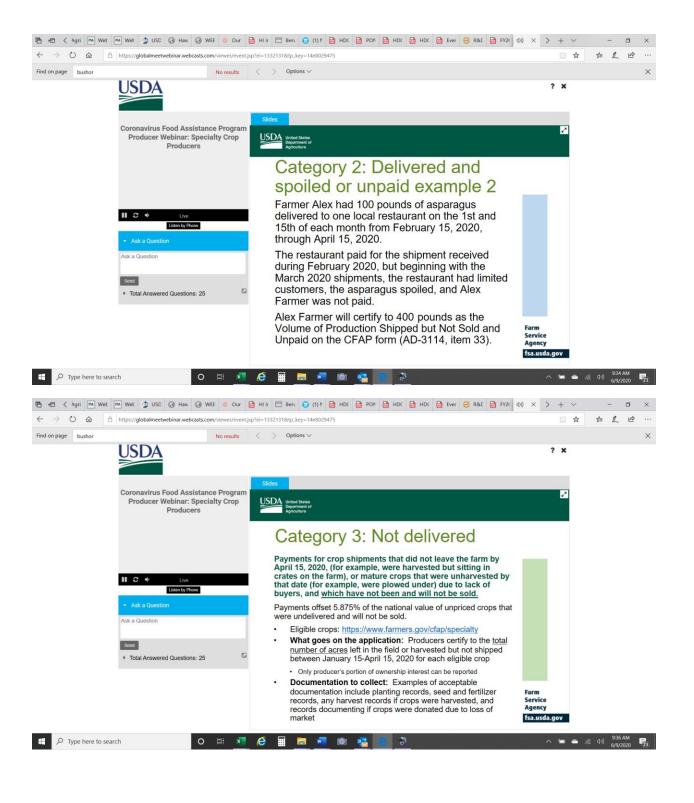
See Criteria above

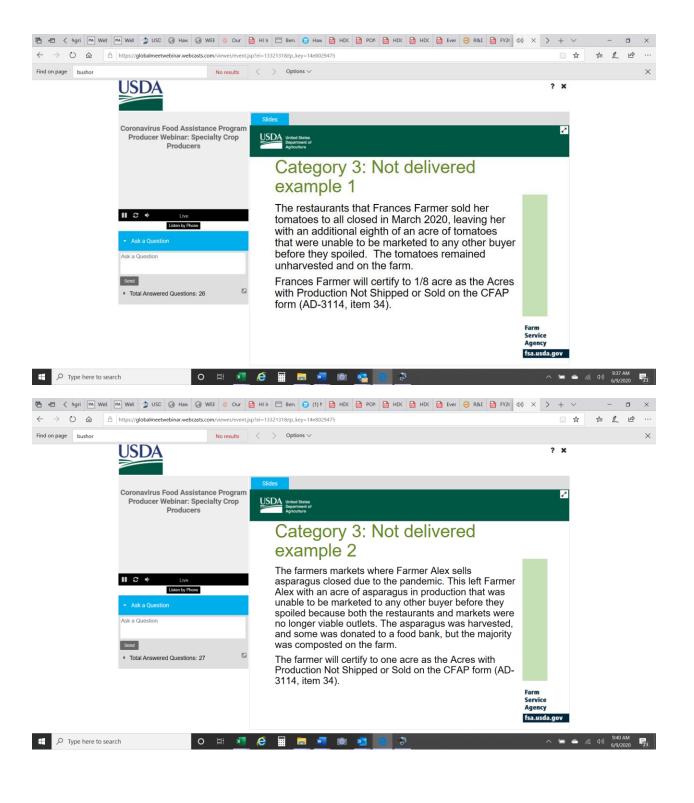


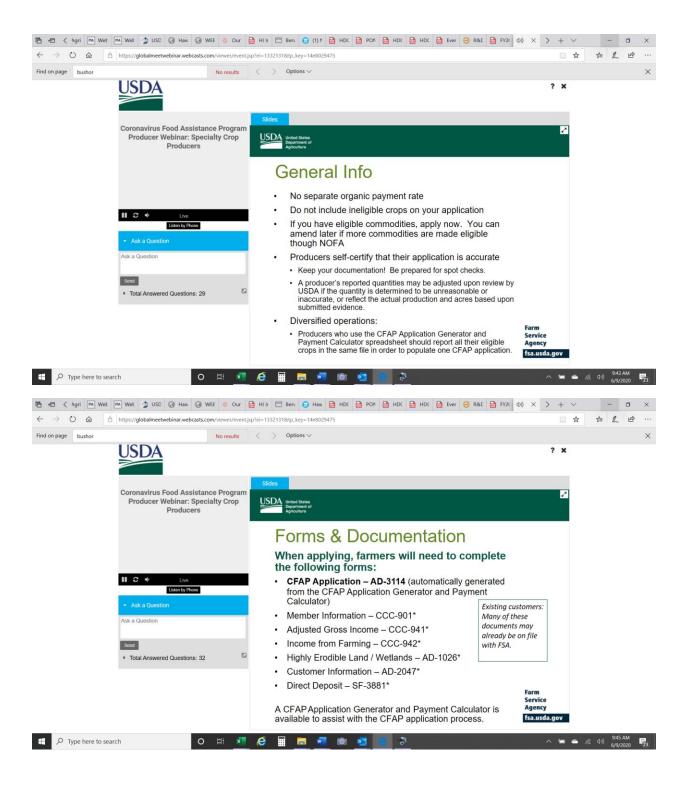


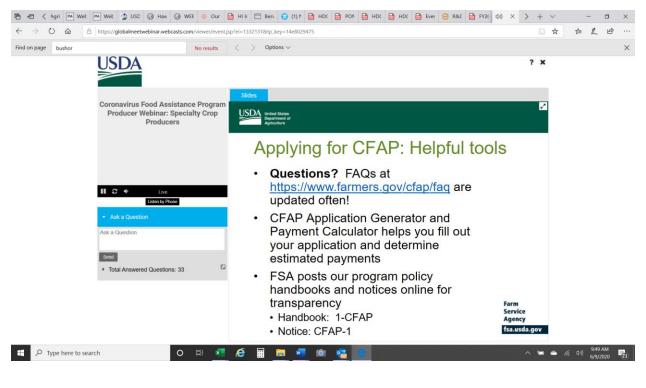


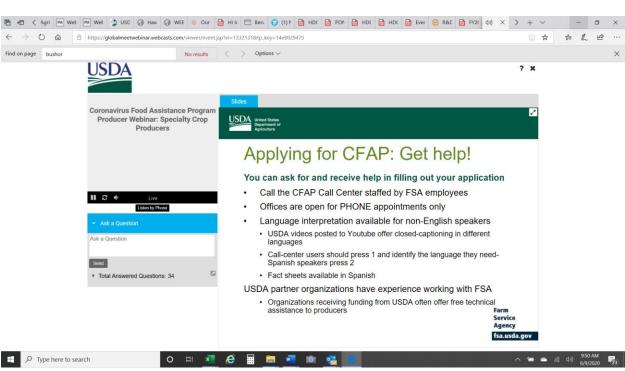


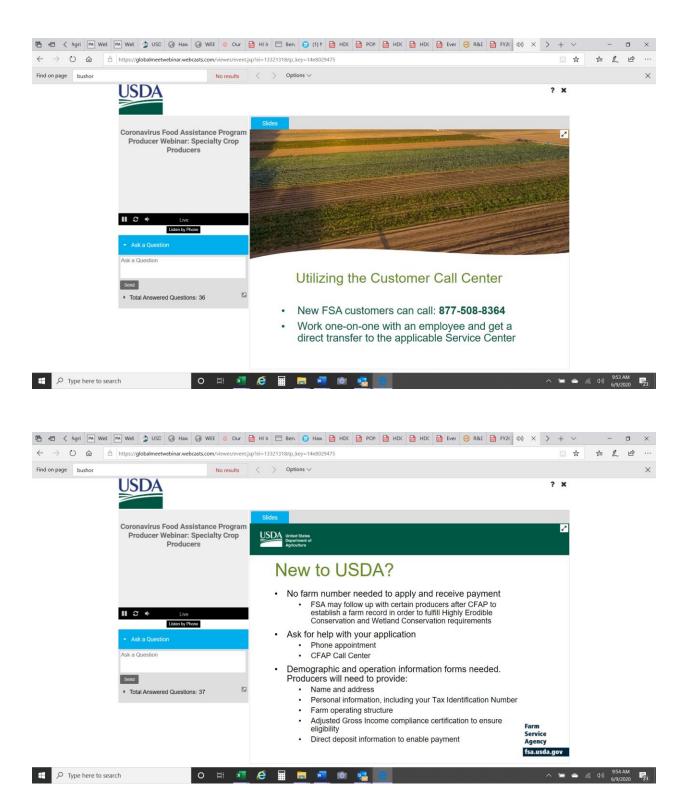


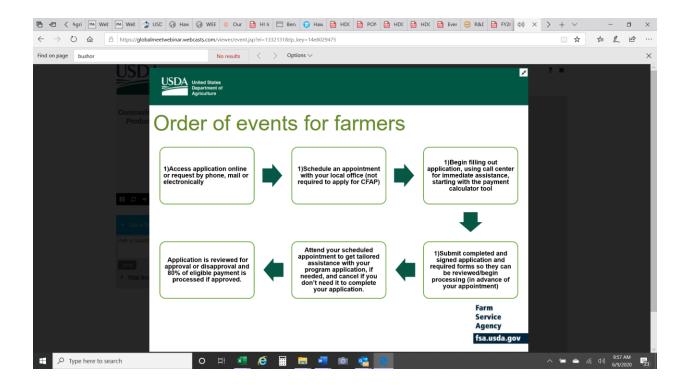


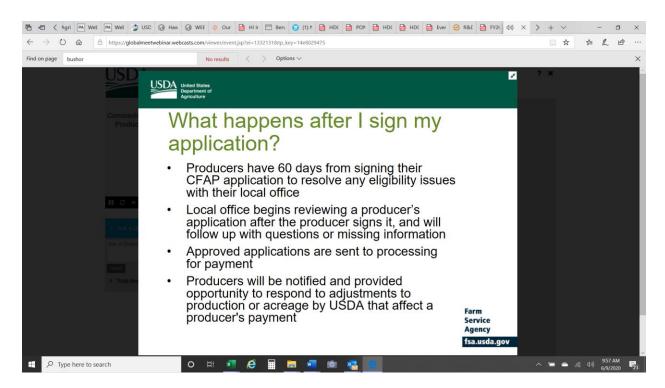


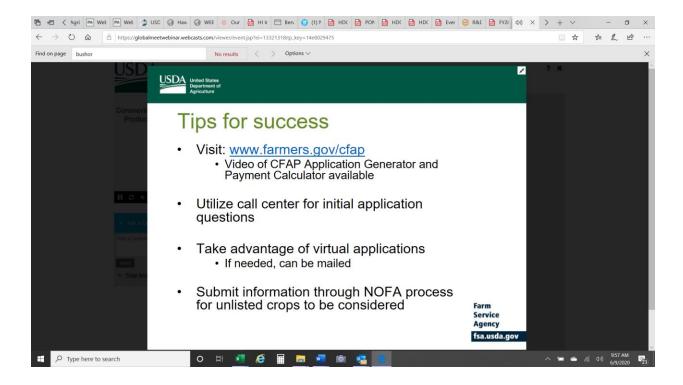


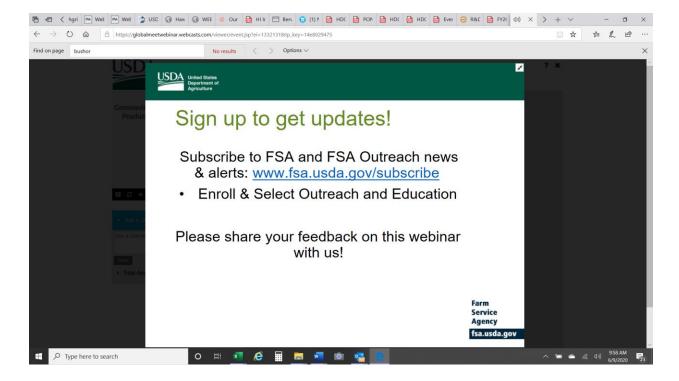












Q & A

Total Answered Questions:43

Section f of application. How do you figure out values of sales & inventory

The Notice of Funding Availability and Cost Benefit Analysis, both of which have links available on the farmers.gov/CFAP website, provide insight.

If a farmer meets the AGI limitations for 2017, 2018 and 2019, but does not meet the limitation for 2016, 2017 and 2018, should they still apply?

The applicable AGI years for CFAP are 2016, 2017, and 2018. A farmer should always apply for CFAP, even though there will be no current eligibility for payment.

For the Adjusted Gross Income limitations, must all shareholders of a S-Corp also complete CCC-941/942? Or is at the entity level only?

Adjusted gross income forms must be completed by the S-Corp and all members.

I send my fruit to a packing house. How do I determine if my crops were affected? I have no way of knowing how many pounds have been sold so far and how many are remaining and even how many pounds were affected during that Jan 15-April15th timeline.

It is our understanding that usually the packing house would provide a prorated number. The house can see how much they sold during that timeframe and then prorate among all the producers they have.

Crops like apples or kiwifruit still in cold storage after 4/15/2020. Are they available for payment under Cat 3 if they are unable to be sold?

CFAP is specific to the timeframe of January 15, 2020, through April 15, 2020. Specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible.

Are unharvested potatoes acres eligible?

Only crops that are mature and available for harvest by April 15, 2020, are eligible. Additionally, specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible.

If I am a Grower of Almonds, and then my buyer has all of my crop. How do we know what amount of our crop should have been sold in that time period that qualifies in catergory 1?

It is our understanding that usually the almond handler would provide a prorated number. The handler can see how much they sold during that timeframe and then prorate among all the producers they have.

In the case of a legally established partnership, which files tax returns and has dealt with USDA as a partnership, is the partnership, rather than the individual partners, the proper entity to apply? The CFAP application must be filed by the legal entity, which in this case appears to be the partnership.

do you apply for each individual in a Partnership, LLC or Corporation or can you file for the business The application must be filed by the grower / producer with an interest in the crop. If the grower is a Partnership, LLC, or Corporation, the application must be filed by the legal entity.

What type of information is acceptable to show the 5% or greater loss? Can USDA terminal market reports suffice? If so, will one industry submission per crop, tracking losses through USDA-AMS market reports be enough?

It is critical that national market rates be used. A single submission may be sufficient if national price information already exists through USDA-AMS. The Notice of Funding Availability provides further insight and is available at farmers.gov/cfap.

How is "farm" defined? If the grower retains ownership but the fruit is stored offsite at a cold storage facility or packing house would this fruit still be considered as being on the farm?

If the offsite storage is not under the control of the applicant, it would generally be considered to not be stored on the farm, even if the grower retains ownership of what is in cold storage.

Do you have any guidance on pooled crops such as almonds and how we are to record lbs sold?

It is our understanding that usually the almond handler would provide a prorated number. The handler can see how much they sold during that timeframe and then prorate among all the producers they have.

My almond crop is put into a pool to be sold and have been told by my handler there is no way to identify my specific amount of lbs sold in that time frame. What should I do to still receive assistance?

It is our understanding that usually the almond handler would provide a prorated number. The handler can see how much they sold during that timeframe and then prorate among all the producers they have.

Can you explain again, how some special crops were not eligible for category 1?

Category 1 crops are those that suffered a five percent-or-greater reduction in sales price between mid-January and mid-April as a result of the COVID-19 pandemic The Cost Benefit Analysis as well as the Notice of Funding Availability (links available at farmers.gov/cfap) both provide further insight as to how the crops currently eligible for category 1 were determined.

Can you go over the different categories that the crops fall under once more?

There are 3 categories for crops. Payments will be available for eligible specialty crops for which a producer has production not subject to an agreed-upon price through a forward contract, agreement, or similar binding document. Payment details for eligible specialty crops are as follows: 1.Payments for crops that had a five percent-or-greater price decline in sales price between January 15, 2020, and April 15, 2020. Producers must maintain records, such as a bill of sale, documenting the price received for the crop. 2.Payments for crop shipments that left the farm by April 15, 2020, and spoiled due to no market. Producers must obtain documentation, such as a letter from the buyer, explaining non-payment or other record validating non-payment. This applies to producers who have met contractual obligations in delivering the crop to the buyer, but have not been paid. 3.Payments for crop shipments that did not leave the farm by April 15, 2020, (for example, were harvested but sitting in crates on the farm), or mature crops that were unharvested by that date (for example, were plowed under) due to lack of buyers, and which have not been and will not be sold.

Lemons, Oranges, Tangerines, and Grapefruit harvested and delivered to a packinghouse during Jan 15 to Apr 15, but was not sold and will not be sold covered under category 2?

Specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible. If the lemons, oranges, tangerines and grapefruit are at the packinghouse and have no value, they would be included in category 2; however, if there is any value, they are not eligible..

How do you define mature crops under category 3

crops which were ready for harvest

If there are two owners of an entity, and one owner is ineligible is the other owner eligible for the full amount of CFAP?

The applicant is the entity and payment is based on the member's ownership interest in the entity. If the owners share 60/40 and only the 60% owner meets all eligibility requirements, the entity payment will be based on the 60% share that meets the eligibility requirements.

Can Tangelos be included in the Oranges acreage or the Tangerine acres?

No. Tangelos are a different crop from tangerines and oranges.

What are the reference prices your are using to determine the 5% decline in fresh produce prices? Are you using shipping point prices reported by USDA? If you are, what time frame are you using to determine the price declines?

National price information derived from Market News was used. For further insight, review the Cost Benefit Analysis and Notice of Funding Availability, both with links available on the farmers.gov/cfap web page.

i own three farms under one inc. can i lump all of my Lbs.into one app.?

There is only one application by producer; therefore, all production or acreage (as applicable) must be included on the application.

If farm owner is an LLC and 60% of the ownership is beyond the income limit of \$750,000, and the other 40% is below the limit, can the 40% still apply, and does an application still required for the 60%?

The application is for the LLC. If one or more members of the LLC does not meet the income provisions, the share of LLC ownership associated with the eligible member is all that will be paid.

how is 5% or greater price decline determined or calculated?

Thank you for your question. Payment calculations for specialty crops are determined by the following: *The payment rate for specialty crops used prices from AMS Market News to develop a price change for sales occurring between mid-January and early-April that represented an average of all units shipped of domestic production, whether conventional or organic. For producers of specialty crops that realized a 5-percent-or-greater reduction in sales

price between mid-January and mid-April, the payment rates per pound shipped were determined as 80 percent of the given crop's price change over this time interval. •The payment rate per pound of specialty crops that had been shipped from the farm between January 15, 2020 and April 15, 2020 but subsequently spoiled due to loss of marketing channels is up to 30 percent of the lost value of that shipment. The 30 percent assumes the field value of the crop is 60 percent of the sales value; the field value was then multiplied by a 50 percent coverage level. •The payment rate for specialty crop shipments that did not leave the farm or mature crops that remained unharvested between January 15, 2020 and April 15, 2020 and which have not been and will not be sold is determined as being up to 5.875 percent of the crop's value, where the 5.875 percent was calculated as 25 percent coverage of the average price decline across specialty crops for which data are available. (That average price decline is 23.5 percent).

If a farmer experiences losses due to a lost market because the buyer decide not to buy the produce due to a trust issues related to workers being infected with COVID-19, will this be an eligible loss for a payment? Potentially. Review the requirements associated with eligibility to be included in the 2nd and/or 3rd category of specialty crops.

Farmer is over \$900,000 AGI average.

if 75 percent of their adjusted gross income comes from farming, ranching, or forestry, the AGI limit of \$900,000 does not apply.

What about Floral or Landscape plants that are Specialty Crops? Are they covered under this Assistance Program?

The question may be best answered with review of the Notice of Funding Availability (NOFA) related to information necessary for nursery crops to potentially be determined eligible for CFAP. See the link to the NOFA at farmers.gov/CFAP

Do futures contract dates constitute grain sold or do delivery dates constitute grain sold? https://www.farmers.gov/cfap/non-specialty This site provides a detail on different contract eligibility for CFAP

What relief is available if we didn't suffer a price/case decline but demand dropped by 75%?

The Notice of Funding Availability (NOFA) provides guidance of what is considered for determining a crop eligible for CFAP. Additionally, the Cost Benefit Analysis (CBA) provides insight. A link to both documents is available at farmers.gov/cfap

What defines date of sale of grain? Date of grain contract under futures, date of delivery, or date of payment for grain?

Please see contract table here https://www.farmers.gov/cfap/non-specialty

Can a "farmer cooperative" apply for and behalf of its members?

Thank you for your question. Each grower should apply for assistance separately.

If a farm has two owners, one who meets the AGI requirement and one who doesn't, is the owner who meets the requirement eligible for payment?

CFAP applications are based on the share of the crop applicable to the applicant. Therefore, one owner with a share interest in the crop may apply and/or receive payment and another may not.

Where do crops like Microgreens that are grown in a greenhouse fall as far as specialty/non-specialty eliqibility?

Microgreens have not currently been determined as an eligible crop for CFAP. Producers should review the information necessary identified for responding to the Notice of Funding Availability and submit information if appropriate.

Can a farmer apply for 1 of the categories now and then more categories in the future? Can farmers amend their application if their data or rules change? Yes.

Some local FSA offices are suggesting that nurseries go ahead and do the basic paperwork to get "in the system" with FSA. Is that advice applicable nationally?

It is anticipated that one or more nursery crops may be determined eligible as a result of responses to the Notice of Funding Availability. It may be to the producer's advantage to complete some of the necessary eligibility paperwork

in advance of the commodity being determined eligible. There has been no specific direction that it must be done in advance.

Told that because I am under contract with a shipper for my walnuts, I do not qualify for the relief. Does that sound correct? The other criteria was met

Specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible for CFAP.

Are hydroponic lettuce farms eligible for coverage?

The growing medium is of no consequence for CFAP eligibility if the crop has been determined as eligible.

I don't see prunes listed as a covered crop, do you know if they are working to add prunes to the list? If you are growing a crop or commodity that is not currently on the list for eligible crops, producers and organizations are encouraged to submit a request to the Notice of Funds Availability (NOFA). Comments may be submitted through either of the following methods by June 22, 2020: •Federal Rulemaking Portal – Go to regulations.gov and search for Docket ID FSA-2020-0004. Follow the instructions for submitting comments. •Mail – Director, SND, FSA, US Department of Agriculture, 1400 Independence Avenue SW, Stop 0522, Washington, DC 20250-0522. More information on the NOFA is available here: https://www.farmers.gov/sites/default/files/documents/nofacfap-05222020.pdf

I was unable to sell my almond crop in the time frame given. 1/15/20 to 4/15/20. Is there any assistance for me as a grower.

Specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible for CFAP.

Can salary/wages be considered farm income? Farmer is over AGI average for CCC-941. He is full time operator of s Corp farming entity. he owns 51% S corp and receives average salary of \$400,000. S Corp net income averages \$750,000, so without considering the salary as farm income, he does not meet the 75% on CCC-942. He has no other income. Any exception to be able to use the wages as farm income? Salary and wages are not considered farm income, even if received from a farming enterprise.

Is a farmer eligible to receive a payment if they have only experienced a 5% or greater price decrease for their crop, but have not experienced the other two qualifying circumstances?

A farmer may submit an application for one, two, or three specialty crop categories.

There are 3 categories of losses. Can one apply for losses in more than one category? Yes.

What commodities are eligible?

Great question. A full list of eligible specialty crops is available on our farmers.gov/cfap website here: https://www.farmers.gov/cfap/specialty

Does farm raised shellfish qualify under specialty crops? If not how can we get it to qualify?

USDA worked with the Department of Commerce to provide non-redundant coverage for the aquaculture industry from the CARES Act. Commerce will cover privately-owned aquaculture businesses growing products in state or federal marine waters of the United States and the hatcheries that supply them under CARES Act Section 12005. This includes all molluscan shellfish and marine algae. Non-salmonid marine finfish grown in marine waters not covered by USDA are eligible for Sec. 12005 funding. USDA will consider information submitted by aquaculture producers in the NOFA for privately-owned aquaculture businesses that propagate eligible (see question below) freshwater and saltwater products in controlled environments (including raceways, ponds, tanks, and recirculating systems). Farmed shrimp and all salmonids (trout and salmon) are included. For more information on shellfish coverage, please refer to the FAQ CFAP webpage here: https://www.farmers.gov/cfap/faq