

# Need to know: CFAP sign-up for dairy farmers

May 29, 2020

Through the Coronavirus Food Assistance Program (CFAP), the federal government is making \$16 billion available for direct financial assistance for farmers.



This key information should help when completing application forms. This was assembled by the Dairy Business Association and Edge Dairy Farmer Cooperative.



## DAIRY PRICE LOSSES

**Eligibility:** Milk production in January, February, and/or March 2020, including any disposed of milk during that period and milk production covered under forward contracts, Dairy Margin Coverage, Dairy Revenue Protection and Livestock Gross Margin.

**Calculations:** Based on certification of milk production for the first quarter. A single payment of about \$6.20 per hundredweight comprised of these calculations:

- First quarter milk production multiplied by \$4.71 per hundredweight.
- First quarter milk production times a national adjustment factor of 1.014 and multiplied by \$1.47 per hundredweight to account for second quarter losses.

## LIVESTOCK

**Cull cattle:** Number of head sold between Jan. 15 and April 15 will be treated as *Slaughter Cattle: Mature Cattle* for \$92 per head.

**Dairy bull calves:** Number of head sold between Jan. 15 and April 15 will fall under one of two categories:

- *Feeder Cattle: Less than 600 pounds* for \$102 per head
- *Feeder Cattle: 600 pounds or more* for \$139 per head

Heifers sold and intended for milk production are not eligible.

## CORN STORED AS FEED

**Corn silage:** In addition to any dry corn farmers could claim, corn silage will be eligible under the non-specialty crop section.

- Farmers will need to certify their 2019 production and inventory on hand as of Jan. 15.
- As the unit of measure for corn is in bushels, farms will need to multiply the number of silage tons on hand by 7.94 to determine the number of eligible bushels. Farms should document how the number of tons was calculated should they be audited.

- A single payment will be made based on 50% of a farm's inventory on hand on Jan. 15 (not to exceed 50% of 2019 total production) multiplied by 50% and then multiplied by corn's applicable rate of about 67 cents per bushel.

## PAYMENTS

**Limits:** \$250,000 per person or legal entity. The cap applies to the total amount of payments for all eligible commodities. If a legal entity has more than one member/partner, the entity may qualify for up to three times the \$250,000 payment cap. Adjusted gross income limitations also apply.

**Prorated:** Eighty percent will be paid up front and the remainder at a later date if funds remain available.

## APPLYING

Application period runs through Aug. 28.

- Fill out the **application form, AD-3114**, along with the other necessary forms: CCC-901, CCC-941, CCC-942 (if applicable), AD-1026, AD-2047, and SF-3881. All may be found at [www.farmers.gov/cfap](http://www.farmers.gov/cfap).
- Sign-up is done through your local Farm Service Agency office. FSA offices will only take phone appointments at this time, so do not send information without first contacting the office.
- A call center is available for farmers for one-on-one assistance with the process. Call 877-508-8364.