UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency Washington, DC 20250

For: State and County Offices

Coronavirus Food Assistance Program (CFAP 2) Additional Payments to Underserved Producers

Approved by: Deputy Administrator, Farm Programs

W. Scott Manbour

1 Overview

A Background

FSA is issuing an additional CFAP 2 payment to underserved farmers and ranchers under the same authority as the producers' previous CFAP 2 payments using CCC funds, except for payments for tobacco which will use remaining funds authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

The additional CFAP 2 payment will be equal to 15 percent of the producer's previous CFAP 2 payments, subject to CFAP 2 payment limitation provisions.

Important: Contract producers are not eligible for this additional payment because CFAP 2 payments to contract producers were authorized and funded through the Consolidated Appropriations Act, 2021 (CAA) which specified that those payments could "cover not more than 80 percent of revenue losses," and previous CFAP 2 payments to contract producers were calculated based on 80 percent of their revenue loss.

B Purpose

This notice informs State and County Offices of the additional CFAP 2 payment amount, timing, and producer determination.

C Contact

For questions about this notice, contact Jody Kenworthy by e-mail at jody.kenworthy@usda.gov.

For payment questions, contact Tina Nemec by e-mail at <u>tina.nemec@usda.gov</u>.

| Disposal Date | Distribution |
|----------------|--|
| August 1, 2023 | State Offices; State Offices relay to County Offices |
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2 Additional CFAP 2 Payments for Underserved Farmers and Ranchers

A Amount

The additional CFAP 2 payment will be equal to 15 percent of a producer's previous CFAP 2 payments, subject to CFAP 2 payment limitation provisions.

B Timing

Payments will be processed and available for County Offices to certify and sign on or about **January 11, 2023**. An information bulletin will be posted when the payments have been processed and are ready to be certified and signed in NPS.

C Determination

Underserved farmers and ranchers will be determined based on the 2020 program certification on CCC-860. CCC-860 must be on file with FSA and the determination recorded according to 3-PL to receive the additional payment. Producers who have not previously certified to their status for the 2020 program year may submit CCC-860 to be eligible for the additional payment. The deadline to submit CCC-860 is **February 10, 2023**.

3 Action

A State Office Action

State Offices will ensure that County Offices follow the guidance provided in this notice.

B County Office Actions

County Offices will process payment in NPS as directed in this notice.

All payments should be:

- signed and certified according to 1-FI
- issued to producers within 30 days to avoid prompt payment interest penalties according to 61-FI.