

NCGA + COVID 19



NCGA is taking a series of actions to do our part to help contain the spread of the coronavirus (COVID-19) and the economic fallout it is creating for corn farmers and our customers. Short term, this means instituting policies to protect the health and safety of our stakeholders and the broader communities we serve. Long term, we are focused on creating solutions to help corn farmers and our customers recover from the financial impacts of this crisis.

NCGA Analysis Shows \$50 Per Acre Revenue Declines for Corn

- Cash corn prices have declined by 16 percent on average, with several regions experiencing declines of more than 20 percent, since March 1 as a result of the COVID-19 pandemic.
- The analysis projects a \$50 per acre revenue decline for the 2019 corn crop.
- Further analysis is already underway for the 2020 crop year, with losses anticipated to be higher than those in 2019.
- An average Price Loss Coverage (PLC) Program payment of \$17 per base is projected for corn which would fall short of covering 2019 revenue losses, underscoring the need for the assistance provided by the U.S. Department of Agriculture's (USDA) Coronavirus Food Assistance Program (CFAP).

Coronavirus Food Assistance Program (CFAP): USDA is providing much-needed assistance to begin to help farmers and their customers recover from the financial impacts of the COVID-19 pandemic.

- CFAP will provide \$19 billion in immediate relief to support farmers and ranchers, maintain the integrity of the food supply chain and ensure Americans continue to receive and have access to food.
 - The program includes \$3.9 billion for row crop producers, including corn farmers.
 - The livestock industry, corn farmers' number one customer, will receive \$9.6 billion in assistance.

Paycheck Protection Program and Health Care Enhancement Act: Provides additional funding for small business loans, health care providers and COVID-19 testing.

- Authorizes an additional \$320 billion to the Small Business Administration's (SBA) Paycheck Protection Program (PPP).
 - State corn grower associations urged Congressional leaders to provide this additional funding to ensure that agricultural businesses can continue to operate during the ongoing COVID-19 pandemic.
 - Demand for PPP is expected to remain high. Farmers interested in participating are encouraged to contact their lender as soon as possible.
- Clarifies that agricultural businesses with fewer than 500 employees are now eligible for SBA's Economic Injury Disaster Loan (EIDL) Program.