

COVID RELIEF



Residual impacts from COVID-19 on demand for corn have persisted into 2021.

Coronavirus Food Assistance Programs (CFAP)

- Nationwide more than \$5.4 billion in payments have been made to corn growers through CFAP 1 and 2, representing more than 20 percent of total payments through the two programs.
- In January 2021, the Farm Service Agency (FSA) updated the payment calculation for row crops for CFAP 2, specifically for producers with crop insurance when an approved yield was not available.
 - FSA will use 100 percent of the 2019 Agriculture Risk Coverage-County Option benchmark yield for these producers, rather than the original 85 percent.
- In December 2020, Congress included additional agriculture assistance for COVID impacts in the Consolidated Appropriations Act of 2021. The law requires USDA to provide an additional \$20 per acre payment for row crops planted in 2020.
 - USDA has not yet announced details or a timeline for the \$20 per acre payment program.
- **CFAP 2 Recap:** USDA announced CFAP 2 in September 2020 and accepted applications through December 11, 2020. USDA has distributed \$13.2 billion from CFAP 2, including more than \$3.7 billion to corn growers. CFAP 2 provided producers with financial assistance to counter the continued impacts of the COVID-19 pandemic.
- **CFAP 1 Recap:** USDA announced CFAP 1 in May 2020. USDA has distributed \$10.5 billion from CFAP 1, including more than \$1.7 billion to corn growers for 2019 crop losses. CFAP 1 provided direct relief to producers who faced price declines and additional marketing costs due to COVID-19.

Paycheck Protection Program and Economic Injury Disaster Loans

- In many instances, corn growers have been able to utilize the Small Business Administration's programs to provide valued assistance during uncertainty caused by COVID-19.
- To date, around 4 percent of the total of both the Paycheck Protection Program (PPP) and Economic Injury Disaster Loans (EIDL) loan volume has gone to the Agriculture, Forestry, Fishing & Hunting sector.
- A recalculation was provided for in the Consolidated Appropriations Act of 2021 which allows for producers who file under Schedule F and showed a loss in 2019 to take advantage of the Paycheck Protection Program.

Biofuels

- The Consolidated Appropriations Act of 2021 granted authority to USDA to provide support for ethanol producers, who were impacted by a drop in ethanol demand.
- NCGA supports USDA using this authority and resources to fairly provide direct assistance for biofuel producers that have experienced economic losses due to COVID-19.