

CORONAVIRUS FOOD ASSISTANCE PROGRAM for Frozen and Liquid Eggs

USDA is providing critical support to our nation’s farmers and ranchers through the Coronavirus Food Assistance Program (CFAP). CFAP provides vital financial assistance to producers of agricultural commodities with financial assistance that gives them the ability to absorb sales declines and increased marketing costs associated with the COVID-19 pandemic.

Overview

The Coronavirus Aid, Relief, and Economic Stability Act (CARES Act) and the Commodity Credit Corporation (CCC) Charter Act authorized the funds for the CFAP.

USDA’s Farm Service Agency (FSA) and Agricultural Marketing Service (AMS) administer the program.

FSA is accepting applications for CFAP from **May 26, 2020, to September 11, 2020.**



Who is Eligible?

All egg operations that produced frozen and/or liquid eggs in January, February, and March of 2020 are eligible to apply for CFAP. Shell and dried eggs are not eligible for CFAP payments due to not meeting the required five-percent-or-greater price decline, nationally.

Payments

CFAP payments for liquid and frozen eggs will be equal to the sum of the results of the following two calculations:

1. First quarter production, multiplied by the CARES Act payment rate; and
2. First quarter production, multiplied by the CCC payment rate.

First quarter production is defined as production during January, February, and March of 2020.

The following table lists liquid egg and frozen egg payment rates for CFAP.

COMMODITY	UNIT OF MEASURE	CARES ACT PART 1 PAYMENT RATE*	CCC PART 2 PAYMENT RATE*
Liquid Eggs	Pound	\$0.05	\$0.02
Frozen Eggs	Pound	\$0.06	\$0.02

Payment Limitations

CFAP payments are subject to a per person and legal entity payment limitation of \$250,000. This limitation applies to the total amount of CFAP payments made with respect to all eligible commodities.

Unlike other FSA programs, special payment limitation rules are applied to participants that are corporations, limited liability companies, and limited partnerships (corporate entities). These corporate entities may receive up to \$750,000 based upon the number of shareholders (not to exceed three shareholders) who are contributing at least 400 hours of active person management or personal active labor.

For a corporate entity:

- With one such shareholder, the payment limit for the entity is \$250,000;
- With two such shareholders, the payment limit for the entity is \$500,000 if at least two members contribute at least 400 hours of active personal labor or active personal management, or combination thereof, with respect to the operation of the corporate entity; and
- With three such shareholders, the limit is \$750,000 if at least three members contribute at least 400 hours of active personal labor or active personal management, or combination thereof, with respect to the operation of the corporate entity.

How to Apply

FSA staff at your local USDA Service Center will work with producers to file applications. Applications may be submitted via mail, fax, hand delivery, or via electronic means. Please call your office prior to sending applications electronically.

The CFAP application and associated forms are available online at farmers.gov/cfap.

More Information

This fact sheet is for informational purposes only; other restrictions may apply. For more information about the CFAP program, visit farmers.gov/cfap or contact your local FSA office. Additionally, producers in search of one-on-one support with the CFAP application process can call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.

To find your local FSA office, visit farmers.gov/cfap.