

CORONAVIRUS FOOD ASSISTANCE PROGRAM for Nursery Crops and Cut Flowers

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?

CFAP assistance is available to nursery and cut flowers (including cut greenery) producers who have an ownership interest in nursery crops and cut flowers that have suffered a five-percent-or-greater price loss or experienced an abrupt drop in sales as a result of the COVID-19 pandemic and face additional significant costs in caring for their inventories due to unexpected surplus.

- Nursery crops include decorative or nondecorative plants grown in a container or controlled environment for commercial sale.
- Cut flowers include cut flowers and cut greenery from annual and perennial flowering plants grown in a container or controlled environment for commercial sale.

"Controlled environment" is met when growers take actions to grow crops, including field grown crops, that are considered normal practices for that crop in that region (structures, fields, facilities, soil, water, nutrients, etc.).



Some examples of how field grown crops can be considered "controlled":

- Control of the land or soil
- Providing nutrients
- Control of irrigation
- Insect infestation or disease control

Payments

CFAP payments for nursery crops and cut flowers will be based on a percentage of the producer's wholesale value of inventory. Payments will be the sum of CARES Act payments and CCC payments as follows:

1. **CARES Act Payments:** For nursery crop and cut flower inventory that was shipped but subsequently spoiled or is unpaid due to loss of marketing channels between January 15, 2020, and April 15, 2020, the wholesale value of the inventory that was shipped that spoiled or is unpaid, multiplied by 15.55 percent; and

2. **CCC Payments:** For nursery crop and cut flower inventory that did not leave the farm between January 15, 2020, and April 15, 2020, due to a complete loss of marketing channel, the wholesale value of the inventory ready for sale that did not leave the farm by April 15, 2020, and that will not be sold due to lack of markets, multiplied by 13.45 percent.

Nursery crop and cut flower inventory that may be sold after April 15, 2020, is not eligible for CFAP.

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.