

# CORONAVIRUS FOOD ASSISTANCE PROGRAM 2 Guide for New Customers



This guide is intended to assist producers who have never participated in Farm Service Agency (FSA) programs before.

### Before you Begin

The Coronavirus Food Assistance Program 2 (CFAP 2) provides direct pandemic relief payments to eligible producers. You do not have to prove a pandemic-related loss to your operation in order to apply for CFAP 2; you only need to meet producer eligibility requirements and have eligible commodities.

CFAP 2 is a self-certification program. This means that you do not have to submit supporting documents and records at the time of application. However, keep in mind that FSA will conduct spot checks, so it is important to have records or information on hand that supports what you report on your application.

#### Are you eligible to apply?

- Check to make sure what your operation grows and/or raises is eligible. The <u>Eligibility Commodity</u> <u>Finder</u> will help you make this determination.
- If you grow or harvest seafood, you may also be eligible for the <u>Seafood Trade Relief Program</u> in addition to CFAP 2.

- As a producer, you must have ownership in the commodity (i.e. you have control over the commodity and aren't producing it on behalf of someone else) and risk in producing the commodity (i.e. you're affected by what happens when the commodity goes to market) in order to be eligible for CFAP 2.
- Are you a nonprofit or tribal entity? You can still apply for CFAP 2 if you meet the definitions for an eligible producer. You can <u>review these</u> <u>requirements</u> under the "About CFAP 2" section.

# Did you experience a natural disaster or major life event in 2019 or 2020 that may affect what you report on CFAP 2?

 FSA does not permit exceptions to the required reporting year for CFAP 2 due to natural disasters or major life events. For natural disasters, please ask your local FSA office about other <u>disaster</u> <u>assistance programs</u> and whether they will apply to your situation.

# Part One: Commodity-specific Tips

Make sure to review our detailed <u>commodity-specific</u> <u>information</u> for CFAP 2.

#### **Row crops**

- a. These commodities are either categorized as price trigger or flat-rate, which affects the payment rate you will receive for these commodities. For a listing of eligible row crop commodities, click here. In cases where row crop commodities such as hemp are grown for other uses, like seed, they are considered nursery crops and would be classified as specialty crops on the CFAP 2 application (see the specialty crops section below).
- b. A <u>Crop Acreage Report</u> (FSA-578) is required for row crop commodities, because CFAP 2 bases payment on acres your local office deems eligible for the program. An acreage report essentially details what you're growing and where. Contact the FSA office at your <u>local USDA Service Center</u> to let them know that you want to apply for CFAP 2 and need to file an acreage report.
  - Your local office will use aerial photography to work with you and identify fields planted, amount of acreage planted per field, and planting dates of your commodities.
  - If you own the property you are farming on, you will need to submit a copy of your deed along with personal information for those listed on the deed— name, address, telephone number, and social security number. In the case where the owner is a legal entity, a tax identification number would be needed instead of a social security number. Submitting this information allows you to be added into FSA's computer system and identified as owner of the property. It is also helpful to submit a copy of the plat, if you have one.
  - If you do not own property and are leasing acreage on someone else's farm, the owner will need to submit their deed and information, and you will be subsequently added as tenant or operator on the farm. This is required so the farm can be delineated out from aerial photography and assigned a Farm Serial Number (FSN). All of this is required so an acreage report may be completed.
  - Crop acreage reports are usually required to be filed annually no later than July 15th. If you're filing an acreage report in order to apply for CFAP 2, you will not be charged a late file fee.
- c. Once the crop acreage report is completed by working with your local office, you will then receive documents for review and to sign. This can be completed via mail, fax, or email. Go to Part Three for information on signing and submitting documents.



d. To proceed with the CFAP 2 Application process you will complete the CFAP 2 form, AD-3117. Refer to Part Two for a listing and explanation of filling out this form and additional forms needed. Go to Part Three for direction on signing and submitting all required documents.

# <u>Specialty Crops, Specialty Livestock, Specialty Dairy, Floriculture and Nursery crops, Aquaculture, and Wool</u>

- a. You do not have to have a farm number or an acreage report on file with FSA to apply for CFAP 2 for these commodities.
- b. Producers report their 2019 calendar year sales in dollars for these commodities. New farmers who did not have sales in 2019 will report 2020 sales as of the date of their application. FSA has received a lot of questions whether FSA is referring to gross or net sales amounts. FSA is not basing CFAP 2 payment for these commodities so much on gross or net sales, but instead on the value of the unprocessed, or raw, commodity. This would be the value of the commodity when it's delivered to the first buying point and is ready to be processed for consumer-ready sale. No processing or special packaging (even if it happens on farm) can be included in this value. You can find examples of how different producers might report this "farm-gate value" in the <u>CFAP 2 Frequently Asked</u> Questions under the "Sales Commodities" section.
  - If you are a maple syrup producer, you must report the sales value of the raw commodity, maple sap. Unless you have other information, FSA recommends you multiply your maple syrup sales by 0.3744 to determine your reported sales value of maple sap for CFAP 2.
- c. When reporting sales information for sales commodities, producers do not need to separately report sales for every commodity on different lines of the CFAP 2 form (e.g. tomatoes and cucumbers, etc.), but can rather group their sales information by category (e.g. specialty crops, specialty livestock, nursery crops, etc.).

- d. Specialty livestock is considered to be any livestock that is not beef cattle, hogs/pigs, or lambs/sheep and is raised for fur, food, fiber, or feathers. Specialty livestock, including byproducts such as eggs, should be recorded in the Sales Commodity part of the CFAP 2 application, AD-3117. The Eggs and Broilers part of the CFAP 2 application only applies to chickens. Please note, breeding stock is not eligible for CFAP 2.
- e. Go to Part Two for more information on filling out forms.

#### Cow milk

- a. Your operation must be producing milk at the time of application for CFAP 2.
- b. Payments will be based on actual pounds of milk production for April 1-August 31, 2020. CFAP 2 will pay you for your actual milk production for April through August and for an estimated milk production for September through December 2020. There is no need to wait to file your milk production, because the September through December 2020 production is an estimated number calculated by your local FSA office based on your April through August 2020 production.
- c. If you dissolve your dairy operation after applying for CFAP 2 and before December 31, 2020, you must contact the FSA office at your local <u>USDA Service</u> <u>Center</u>. Because the CFAP 2 payment estimates your September through December 2020 production and bases a portion of your payment on that estimated production, you will be required to return a portion of that payment to FSA.
- d. Go to Part Two for more information on filling out forms.

#### **Broilers and Eggs**

- a. As a producer you must have ownership and production risk in the commodity. Therefore, contract growers are not eligible to apply for CFAP 2. See the "Before you Begin" section for information on the ownership and risk requirements.
- b. Payments will be based on 2019 production. Broilers are reported by head, shell eggs are reported by dozen, and all other eligible egg commodities are reported in pounds. New farmers who did not have 2019 production will report actual 2020 production as of their date of application.
- c. If you produce liquid, dried or frozen eggs and need assistance in converting that production to pounds, your local FSA office or the Call Center can provide specific formulas for these conversions.
- d. Go to Part Two for more information on filling out forms.



# Livestock (beef cattle, hogs/pigs, lambs/sheep)

- a. If you raise other eligible livestock for fur, food, fiber, or feathers then you would apply under Specialty Livestock.
- Payment is based on your highest inventory of livestock between April 16, 2020 and August 31, 2020, and reported by head on the CFAP 2 form, AD-3117. Breeding stock is not included.
- c. Go to Part Two for more information on filling out forms.

# Part Two: Filling out forms for CFAP 2

You have <u>many options</u> for applying for CFAP 2. As a new customer to FSA, we recommend two of the available options:

- 1. Work with the FSA office at your <u>local USDA Service</u> <u>Center</u> or the Call Center to fill out the form. Here's how that will likely proceed:
  - Call the Call Center (877-508-8364, 8 a.m.-8 p.m. Eastern time) where a representative will help walk you through the application. If there is something that the FSA employee on the line determines you will need local FSA office assistance on, they will help redirect you to the right location.
  - If you go directly to your local office first, determine if the office is open for phone-only appointments, or for both phone and in-person appointments.

- If you work with the Call Center or local FSA office, the FSA employee will likely assist you in filling out forms—whether it is with prepopulating sections based on your conversation or helping you work through the forms yourself. If you are looking to understand parts of the <u>CFAP 2 Application</u>, <u>AD-3117</u> you can refer to this guide that explains each section of the application. Additionally, your local FSA office will guide you through additional materials/ forms that new customers need to fill out—this includes important forms that, for example, facilitate any direct payment you might get from the CFAP 2 program. Your office will help you identify parts of these forms that need filling out and signature. All told, with assistance from an FSA employee, if you have records on hand for your operation, it will take on average one hour to fill out forms as a new customer.
- Go to Part Three to learn about signing and submitting forms.
- 2. Fill out the Application Generator and Payment Calculator which will help generate your CFAP 2 form. This option is under the "Fill Application with Payment Calculator" section on **farmers.gov/cfap** and requires Microsoft Excel. Producers of acreage-based crops (or row crops) will not be able to use this payment calculator because you need local FSA office assistance in identifying your eligible row crop acreage. For row crop farmers, see Part Two Option 1 for more guidance on working with your local FSA office to apply.
  - We recommend that after you have filled out your CFAP 2 form, you contact your local FSA office to review the form and ensure all the sections have been filled out correctly. Additionally, your local FSA office will guide you through additional materials/forms that new customers need to fill out—this includes important forms that, for example, facilitate any direct payment you might get from the CFAP 2 program. Your office will help you identify parts of these forms that need filling out and signature. In many cases, your local office will have prepopulated sections of those forms to make it easier for you. All told, with assistance from an FSA employee, if you have records on hand for your operation, it will take on average one hour to fill out forms as a new customer.
  - Go to Part Three to learn about signing and submitting forms.



# Part Three: Signing and submitting forms

If you've followed the above guidance, you will have two options in signing and submitting forms:

#### 1. Electronic Submission

- Even if you manually filled out an application, after submitting documents to your local office to review you can still sign them electronically. You can use this service to sign your documents on either your smartphone, tablet, or computer. You will need email and internet access in order to use this option.
- Your FSA contact will send you an email invite to sign your forms through an online document signing and sharing service, either <u>Onespan or</u> <u>Box</u>.
- FSA will use a 2-step verification process for document signing, where you will receive a code from OneSpan to enter on your phone or email to verify your identity. After signing documents, you can also access your documents through these services multiple times in the future.

#### 2. Manual submission

- You may be able to drop off any manuallysigned documents at your local FSA office. To do this, you should first understand whether your local office is accepting drop offs of signed documents, and whether they are only accepting them during business office hours or whether there is a drop box located onsite for you to deposit forms at any time.
- To mail or fax submission, ensure that you have the correct mailing address or fax number before submitting your forms.

