The farm safety net and other federal programs that directly support farmers

Offices of Senator Leahy, Senator Sanders, and Congressman Welch

2018 Farm Bill main programs for farmers

- Farm Safety Net (Dairy Margin Coverage, Agriculture Risk Coverage, Price Loss Coverage)
- Risk Management (federal crop insurance)
- Disaster assistance (NAP, Livestock Indemnity Program, etc.)
- Farm Loans (Farm Operating, Farm Ownership, microloans, etc.)
- Conservation Programs (EQIP, CRP, CSP, RCPP)
- Rural Development (Value Added Producer Grants, REAP (energy program), etc.)
- Organic Certification Cost Share

Market Facilitation Program

- MFP was created to help producers whose commodities have been directly impacted by tariffs
- Vermont: \$6,051,323.75
 - Livestock \$4,706,721.56
 - Non-specialty crops like corn and hay \$1,344,602.19
 - Specialty crops \$0.00
- National farm size break-out (source: Environmental Working Group)
 - The top 1 percent of farms, the largest agribusinesses in the country, received 16 percent of MFP payments, or more than \$3.8 billion. The average total payment for a farm in the top 1 percent was \$524,689.
 - The top 10 percent of farms received more than half of all MFP payments, with farms in the top 10 percent getting an average payment of \$185,412.
 - The bottom 80 percent of farms, the small- and mid-sized operations struggling the most, got just 23 percent of MFP payments, with an average per-farm payment of \$9,109.

CARES ACT programs: Coronavirus Food Assistance Program & CRF

CFAP 1 – provided direct relief to producers who faced price declines and additional marketing costs due to COVID-19.

CFAP 2 – similar but allowed diversified farms and maple to apply Coronavirus Relief Fund (CRF) – agriculture grants distributed by VAAFM. Across all farm types based on documented impacts.

Vermont: (source: VT FSA office)

- CFAP 1 as of Jan13--\$44.2m (\$38.9 to dairy) not broken out by size
- CFAP 2 as of Jan 13--\$32.5m

National farm size breakout: (source: Environmental Working Group)

- The top 1 percent of farms got 22% of CFAP payments, for an average payment of \$352,432
- The smallest 80 percent of farms received 23% of CFAP payments, for an average payment of \$4,677

Consolidated Appropriations Act

- 2nd draw PPP loan, and sole proprietor farmers benefit from new PPP recalculation
- Made covered expenses used for PPP loan forgiveness 100% tax deductible for fiscal or calendar year 2020 tax returns.
- Dairy donation program
- DMC payments

American Rescue Plan and Pandemic Assistance for Producers

- Strengthening the Food Supply Chain Programs TBD
- Debt relief for farmers of color
- Pandemic Assistance for Producers initiative USDA is dedicating at least \$6.5 billion toward the new programs, And will also develop rules for new programs that will put a greater emphasis on outreach to small and socially disadvantaged producers, specialty crop and organic producers, and timber harvesters, as well as provide support for the food supply chain and producers of renewable fuel, among others.
- CFAP 2 reopening
- Additional money for Specialty Crop Block Grants

Contacts:

Tom Berry@leahy.senate.gov
Andrew Bahrenburg@leahy.senate.gov
Alex.Piper@mail.house.gov
Ryan.McLaren@mail.house.gov
Erica Campbell@sanders.senate.gov

