

DEPARTMENT OF AGRICULTURE

Office of the Secretary

7 CFR Part 9

[Docket ID: FSA-2020-0004]

Notification of Funding Availability; Coronavirus Food Assistance Program (CFAP)

Additional Eligible Commodities

AGENCY: Office of the Secretary, Agriculture (USDA).

ACTION: Notification of funding availability (NOFA).

SUMMARY: CFAP helps agricultural producers impacted by the effects of the COVID-

commodities that have been determined eligible for CFAP assistance. USDA carefully

19 outbreak. As provided in the CFAP regulation, this document announces additional

reviewed the additional information provided in the comments to develop the list of

additional commodities.

DATES: The notification of funding availability is effective [INSERT DATE OF

PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: William L. Beam, telephone (202)

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SUPPLEMENTARY INFORMATION: CFAP helps agricultural producers impacted

by the effects of the COVID-19 outbreak. The CFAP regulations are in 7 CFR part 9.

The CFAP regulations provide the general eligibility requirements, the application

process, and payment calculation information. The CFAP rule was published in the

1

Federal Register on May 21, 2020 (85 FR 30825-30835) and corrections were published in the Federal Register on June 12, 2020 (85 FR 35799-35800) and July 10, 2020 (85 FR 41328-41330). USDA is also publishing a correction to the final rule, which includes an extension of the CFAP application deadline for all eligible commodities. CFAP applications will be accepted through September 11, 2020.

USDA requested information to evaluate whether additional commodities suffered losses that should result in eligibility for CFAP. The CFAP document that requested information from the public for additional commodities that suffered losses was published in the *Federal Register* on May 22, 2020 (85 FR 31062-31065), and a correction was published on June 12, 2020 (85 FR 35812). USDA specifically requested information in order to evaluate whether additional commodities suffered losses that should result in eligibility for CFAP. Comments were submitted through June 22, 2020, and USDA received a total of 1,740 comments from individuals and organizations.

In the interest of announcing additional commodities as eligible for CFAP as quickly as possible, we published a previous document in the *Federal Register* on July 10, 2020 (85 FR 41321-41323), announcing additional specialty crops that were eligible for CFAP. USDA has continued to review the information provided by the comments, and this document announces additional eligible specialty crops, non-specialty crops, and livestock that were not included in the regulation or the July 10 NOFA that announced additional agricultural commodities eligible for CFAP and the payment rates for each commodity. Payments for these commodities being added by this document will be calculated as specified in 7 CFR 9.5. This document also specifies the payment calculations and payment rates for aquaculture, nursery crops (including cut flowers), and

frozen and liquid eggs, which were not included in the CFAP regulation. Payment rates for additional commodities announced in this notification are included in a table at the end of this document. Complete lists of all eligible commodities and payment rates as announced in the regulation and through the documents published in the *Federal Register* are available at https://www.farmers.gov/cfap.

In this document, the commodities and issues raised in the comments that were not addressed in the prior notification are discussed by type of commodity. This document also lists the commodities for which assistance was requested that USDA has determined will not be eligible for CFAP.

Specialty Crops

Comment: Requesting that a number of specified commodities be added to the list of eligible specialty crops. The commodities experienced price decreases as much as other eligible commodities. Certain commodities should be eligible even when no price decrease was identified because they were affected by market chain disruptions.

Response: USDA evaluated the data submitted by commenters and Market News data when available. As a result of that evaluation, we are adding to the following list of commodities as eligible for CFAP: Aloe Leaves, Bananas, Batatas, Bok Choy, Carambola (Star Fruit), Cherimoya, Chervil (French parsley), Citron, Curry Leaves, Daikon, Dates, Dill, Donqua (Winter Melon), Dragon Fruit (Red Pitaya), Endive, Escarole, Filberts, Frisee, Horseradish, Kohlrabi, Kumquats, Leeks, Mamey Sapote, Maple Sap (for Maple Syrup), Mesculin Mix, Microgreens, Nectarines, Parsley, Persimmons, Plantains, Pomegranates, Pummelos, Pumpkins, Rutabagas, Shallots,

Tangelos, Turnips (Celeriac), Turmeric, Upland and Winter Cress, Water Cress, Yautia (Malanga), and Yuca (Cassava).

Comment: Requesting eligibility for zucchini and coriander.

Response: Zucchini is considered a variety of squash, which was included as an eligible specialty crop in the final rule; therefore, no change is needed. USDA is adding coriander as eligible under the cilantro category, which was announced as an eligible crop in the July 10 document.

Comment: Requesting that USDA reviews additional data for pistachios, peppermint, and spearmint, which were not previously eligible for payment under 7 CFR 9.5(b)(1) for sales losses, but were eligible for payment for product that left the farm but spoiled due to loss of marketing channel (§ 9.5(b)(2)) and for product that did not leave the farm or mature crops that remained unharvested between January 15, 2020, and April 15, 2020, due to loss of marketing channel (§ 9.5(b)(3)), as announced in the July 10 document. Data was provided to substantiate a 5 percent price decrease for these commodities.

Response: USDA reviewed the data submitted by commenters and determined that these commodities experienced a 5 percent or more price decrease and are eligible for payment for sales losses under § 9.5(b)(1). This notification provides the Coronavirus Aid, Relief, and Economic Security Act (CARES Act, Pub. L. 116-136) payment rate for sales losses for pistachios, and corrects the CARES Act payment rate for pistachios for product that left the farm but spoiled due to loss of marketing channel and the CCC payment rate. This document also revises the provisions for mint to separate it into three categories (peppermint, spearmint, and other mint) and provide the payment rates for

each one, including CARES Act payment rates for sales losses for peppermint and spearmint. "Other mint" continues to be eligible for payment for product that left the farm but spoiled due to loss of marketing channel (§ 9.5(b)(2)) and for product that did not leave the farm or mature crops that were unharvested due to loss of marketing channel (§ 9.5(b)(3)), but is not eligible for payment for sales losses (§ 9.5(b)(1)).

USDA is also publishing a correction to the final rule to correct the payment rates and make the following crops eligible for payment for sales losses under § 9.5(b)(1): onions, green; walnuts; and watermelons.

Non-specialty Crops

Comment: Requesting CFAP assistance for ELS cotton, also known as Pima cotton.

Response: USDA's National Agricultural Statistics Service (NASS) has only annual producer price data. The USDA Agricultural Marketing Service (AMS) daily spot price of \$1.10 per pound has not changed since December 31, 2019. The National Cotton Council suggested using the U.S. Census Bureau monthly export price data, which show a 7 percent price decline from January to April 2020. Under existing CFAP policy, export prices are not considered a proxy to producer prices. USDA has determined ELS (Pima) cotton is not eligible for CFAP due to a lack of national price data.

Comment: Requesting CFAP assistance for wheat types other than red hard spring and durum wheat, which are currently eligible for CFAP.

Response: USDA determined that other wheat varieties (including hard red winter, soft red winter, and soft white winter) are ineligible. The industry provided information recognizing that the monthly NASS prices between January and April (which were not

available during the initial CFAP analysis) do not support a 5 percent price loss. The National Wheat Association Growers requested that USDA instead compare the highest and lowest daily May 2020 futures contract between January and March, but this methodology does not conform with existing CFAP policy. USDA has determined that wheat varieties, with the exception of hard red spring wheat and durum wheat, are not eligible for CFAP due to not having a 5 percent or greater price decline, nationally.

Comment: Requesting CFAP assistance for tobacco. The tobacco industry acknowledged there was no price decline, but shared concerns regarding the contracted quantity and requested that USDA use the contracted amount for CFAP eligibility rather than the price decline.

Response: The Commodity Credit Corporation Charter Act prohibits use of CCC funds under 15 U.S.C. 714c(b), (d), and (e) for tobacco. NASS only publishes an annual marketing year average price for tobacco. Using contracted quantity to determine CFAP eligibility does not conform to existing CFAP policy. USDA has determined that tobacco is not eligible for CFAP due to a lack of national price data.

Comment: Requesting CFAP assistance for hemp.

Response: USDA evaluated data representing on farm sales prices from January to April 2020. While the national price did decrease during the first quarter of 2020, it was only a 1 percent decrease, which did not meet the 5 percent or greater decrease in price for CFAP eligibility. The national price is represented by the average of 5 regional published hemp biomass benchmark midpoints. USDA has determined hemp is not eligible for CFAP due to not meeting the 5 percent or greater price decline, nationally.

Comment: Requesting CFAP assistance for alfalfa.

Response: Alfalfa prices are dependent on several variables, making it difficult to determine a national price that represents the industry as a whole. Alfalfa is sold through either direct sales or auctions. The prices for the same quality, size, and locations can vary between direct and auctions sales, and differ from week to week and month to month. Alfalfa can be sold in bales and cubes, in various sizes, and the quality is tested and graded as supreme, premium, good, fair, and utility. Both the NASS monthly national prices and AMS direct sale prices showed a decrease in price from January 2020 to April 2020; however, the decrease was below 5 percent. While auctions are an important part of the hay market, their sales are not as consistent as direct sales. Direct sales make up the majority of the markets sales because they are sales to dairies and feedlots. USDA has determined alfalfa is not eligible for CFAP due to not meeting the 5 percent or greater price decline, nationally.

Comment: Requesting CFAP assistance for green peanuts.

Response: The only data available for green peanuts during the weeks of January 15, 2020, and April 11, 2020, were AMS terminal market daily report prices, and an average price point was taken for each week. There was not a decrease between the two weeks; in fact, the price increased. USDA has determined green peanuts are not eligible for CFAP due to not meeting the 5 percent or greater price decline, nationally.

Livestock

Comment: Requesting CFAP assistance for sheep that were not previously determined to be eligible in the CFAP final rule.

Response: The CFAP final rule provided assistance for lambs and yearlings, which are defined as "all sheep less than 2 years old," but did not provide assistance for

other sheep. USDA has determined that all other sheep will also be eligible for CFAP. "All other sheep" includes all sheep that are 2 years old or older. Payments for all other sheep will be determined based on the calculation for lambs and yearlings in 9 CFR 9.5(f), using the payment rates provided in columns 3 and 4 of Table 2 of this document.

Comment: Requesting CFAP assistance for goats, including kids and young goats. Meat goat producers were unable to get animals to auction or processing plants due to facility closures due to COVID-19.

Response: USDA reviewed available data for goat prices. Nationally, slaughter goats did not suffer a 5 percent or greater price decline from mid-January to mid-April 2020. USDA has determined goats, including kids, are not eligible for CFAP due to not meeting the 5 percent or greater price decline, nationally.

Comment: Requesting CFAP assistance for bison, buffalo, and beefalo.

Response: Each individual category of bison slaughter data was researched (young bulls, young heifers, aged bulls, and aged cows). USDA reviewed data from the AMS Market News Monthly Bison Report for January 2020 and April 2020. No category met the 5 percent or greater price decline individually, or as a weighted average of all categories as a whole. USDA has determined that bison, buffalo, and beefalo are not eligible for CFAP due to not meeting the 5 percent or greater price decline, nationally.

Comment: Requesting CFAP assistance for turkeys. The turkey industry stated that independent turkey farmers, who make up around 10 percent of the turkey industry, suffered financial losses because the number of turkeys requested by the processing plant

decreased from their initial request to the farmer. Farmers had increased indirect costs due to raising birds that would not be sold.

Response: While USDA understands that turkey producers suffered losses, the turkey industry, as a whole, did not have a 5 percent or greater price decline, according to national prices from AMS. USDA has determined turkeys are not eligible for CFAP due to not meeting the 5 percent or greater price decline, nationally.

Aquaculture

Comment: Requesting CFAP assistance for oysters, clams, mussels, scallops, and marine algae.

Response: We understand that losses have been suffered and we have carefully considered the other assistance that is being provided by the Federal government. The Secretary of Commerce is authorized to provide assistance for molluscan shellfish and marine algae with funding provided by section 12005 of the CARES Act. To avoid providing duplicate payments for the same losses, USDA has determined that CFAP will not cover those commodities.

Comment: Requesting CFAP assistance for catfish, largemouth bass and carp sold live as foodfish, hybrid striped bass, red drum, salmon, sturgeon, tilapia, trout, ornamental or tropical fish, and recreational sportfish. Industry organizations indicated that most aquaculture producers faced an abrupt and significant drop in sales but did not suffer price losses. Many producers kept unsold fish inventories for possible sales at later dates; however, that inventory would likely be sold at reduced prices as animals grew past their optimal market size and producers would incur additional operational costs.

Response: USDA had determined that catfish, largemouth bass and carp sold live as foodfish, hybrid striped bass, red drum, salmon, sturgeon, tilapia, trout, ornamental or tropical fish, and recreational sportfish will be eligible for CFAP assistance. We recognize that aquaculture commodities are unique because they require continued feeding and care, and they continue to grow and may ultimately exceed the size range that is preferred by buyers. In addition, many aquaculture producers cannot begin raising new fish while still maintaining the fish intended to be sold prior to April 15, 2020.

Payments for these aquaculture commodities will be the sum of:

- (1) Aquaculture species sold (excluding crawfish) from January 15, 2020, through April 15, 2020, multiplied by the payment rate in column 3 of Table 3 in this document; and
- (2) Inventory of the aquaculture species (excluding crawfish) that was not sold but was market size and available to be marketed between January 15, 2020, and April 15, 2020, multiplied by the payment rate in column 4 of Table 3 in this document.

Comment: Requesting CFAP assistance for crawfish.

Response: USDA had determined that crawfish will be eligible.

Payments for crawfish will be the sum of:

- (1) Crawfish sales from January 15, 2020, through April 15, 2020, multiplied by the payment rate in column 3 of Table 3 in this document; and
- (2) Crawfish inventory that was not sold as of April 15, 2020, due to lack of market and will not be sold in calendar year 2020 multiplied by the payment rate in column 4 of Table 3 in this document.

Nursery Crops and Cut Flowers

Comment: Requesting CFAP assistance for nursery crops and cut flowers.

Response: USDA has determined that CFAP will cover losses for nursery crops and cut flowers. "Nursery crops" means decorative or nondecorative plants grown in a container or controlled environment for commercial sale. "Cut flowers" includes cut flowers and cut greenery from annual and perennial flowering plants grown in a container or controlled environment for commercial sale.

There is no traditional market mechanism able to capture the price of thousands of different varieties of commodities of nursery crops and cut flowers; therefore, payments will be based on a percentage of the producer's wholesale value of inventory as described below. Payments for nursery crops and cut flowers will be the sum of:

- (1) 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) 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.

Payment rates were determined using coverage rates that represent half of input costs multiplied by the 40.5 percent average reported revenue loss. This approach accounts for the higher percentage of input costs incurred prior to "harvest" of the inventory compared to traditional agricultural crops. The portion of the payment

calculated under paragraph (1) above will be paid with CARES Act funding, and the portion of the payment calculated under paragraph (2) will be paid with CCC funding. Inventory that may be sold after April 15, 2020, is not eligible for CFAP.

Other

Comment: Requesting CFAP assistance for mink.

Response: NASS has only annual producer price data for mink. The data submitted by Fur Commission USA (FCUSA) show no sales in January because of the closure of auction houses; therefore, a 5 percent price loss cannot be determined. FCUSA requested that USDA instead compare January through April 2020 average prices with January through April 2019 average prices, but this methodology does not conform with existing CFAP policy. USDA has determined mink is not eligible for CFAP due to a lack of national price data.

Comment: Requesting CFAP assistance for mohair.

Response: NASS has only annual producer price data. A 5 percent price loss cannot be calculated, per existing CFAP policy, because the data submitted by Texas Sheep and Goat Raisers' Association (TSGRA) show no sales in April. The Mohair South Africa Auction Report is an alternative data source, but there were no auctions held in January and April to use to determine a proxy price. USDA has determined mohair is not eligible for CFAP due to a lack of national price data.

Comment: Requesting CFAP assistance for shell and dried eggs.

Response: AMS weekly data did not indicate a 5 percent or greater price decline from either shell or dried eggs from mid-January to mid-April 2020. USDA has

determined shell eggs and dried eggs are not eligible for CFAP due to not meeting the 5 percent or greater price decline, nationally.

Comment: Requesting CFAP assistance for liquid and frozen eggs.

Response: Two data sources (Urner-Barry and AMS Processed Eggs: Weekly National Egg Products (Fri.) report) for the weeks of January 15, 2020, and April 11, 2020, showed a greater than 5 percent price decline. USDA has determined that both liquid eggs and frozen eggs are eligible for 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 in Table2 of this document; and
- (2) First quarter production, multiplied by the CCC payment rate in Table 2 of this document.

Comment: Requesting assistance for the following commodities: Alligator, Ame, Aronia Berry, Asparagus Seed, Awa, Baby Beetroot, Bahia Grass Seed, Feed Barley, Bees, Bermuda Grass, Bitter Melon, Blue Grass Seed, Bovine Embryos and Semen, Breadfruit, Broccoli Romanesco, Buckwheat, Burdock, Cacao and Cocoa, Chayote, Sweet Cherries, Tart Cherries, Chickpeas, Chukkar, Coffee, Crosnes, Culantro (Recao), Dichondra, Dry Beans, Ducks, Edamame, Fennel, Field Peas, Flax Seed, Forage Crops, Game Birds and Chicks, Garlic Scapes, Ginger, Ginseng, Goat Milk, Grapes, Grass Seed, Green Nira, Guanabana, Guinea Pigs, Hay, Heart of Palm, Hon Tsai Tai, Honey, Hops, Horses, Jackfruit, Kai Lan, Kentucky Bluegrass, Lamb Pelts, Lavender, Lentils, Lerenese (Guinea Arrowroot), Limu (Ogo), Longan, Lychee, Macadamia Nuts, Mangoes, Methi Leaf, French Melon, Sun Jewel Melon, Sweet Sarah Melon, Mong Toi, Moringa, Nettles,

Noni (Morinda Citrafolia), Olives, Ornamental Corn, Partridge Peas, Paw Paws, Pea Vine, Pheasants, Pitanos, Pollinators, Poultry, Prairie Hay, Prunes, Pulpwood (Hardwood and Pine), Pumpkin Seeds, Quail, Rabbits, Radishes, Rambutan, Sapodilla, Shen Li Hon, Shrimp, Snake Gourd, Spondias, Squab (Fledgling Pigeon), Straw, Sturgeon Caviar, Sugar Beets, Sunchoke, Sweet Potato Leaves, Tamarind, Tapioca, Tat Soi, Tea, Timber, Timothy Grass, Tomatillos, Tong Ho, Triticale, Turfgrass, Turtles, Snapping Turtles, Vanilla, Vegetable Seeds, Wheatgrass, Wild Rice, Wine Grapes, Yam, and Yu Cho Sum.

Response: Commenters requesting assistance for these commodities did not provide sufficient data for USDA to determine eligibility. Due to a lack of information required to determine if these crops suffered eligible losses due to the effects of COVID-19, USDA has determined these crops are not eligible for CFAP.

Comment: Requesting assistance for maple butter, maple sugar, maple syrup, olive oil, wine, raisins, and cheese.

Response: USDA has determined that these commodities are not eligible because they are processed products and the intention of the program is to pay growers for losses of commodities, rather than processors. However, as noted above, maple sap is eligible.

USDA received several comments that addressed issues outside of the scope of the questions included in the notification.

USDA appreciates the input and will take the comments under consideration; however, at this time, for CFAP, USDA is only reviewing comments that addressed eligibility of commodities as provided in the notification.

Table 1—Payment Rates for Specialty Crops

	CARES Act Payment Rate for Sales Losses	CARES Act Payment Rate for Product that left the farm but spoiled due to loss of marketing channel	CCC Payment Rate
Commodity	(\$/lb)	(\$/lb)	(\$/lb)
Aloe Leaves	\$0.06	\$0.19	\$0.04
Bananas	0.34	0.20	0.04
Batatas		0.32	0.06
Bok Choy	0.22	0.23	0.05
Carambola (Star			
		0.58	0.11
Cherimoya	1.83	0.98	0.19
Chervil (French	2.74	0.00	1.50
Parsley)	2.74	8.09	1.58
Citron	0.32	0.26	0.05
Cilantro (Coriander)	0.19	0.23	0.05
	2.40	5.25	1.03
Curry Leaves			
Daikon		0.19	0.04
Dates		1.44	0.28
Dill		5.38	1.05
Donaqua (Winter	1 42	0.60	0.12
Melon) Dragon Fruit (Red	1.42	0.60	0.12
Pitaya)		1.03	0.20
Endive	0.04	0.15	0.03
Escarole	0.11	0.18	0.04
Filberts	0.41	0.67	0.13
Frisee	0.41	0.69	0.13
Horseradish		3.72	0.73
Kohlrabi	1.20	0.24	0.05
Kumquats	1.28	1.76	0.34
Leeks	0.14	0.18	0.03
Mamey Sapote	0.56	0.92	0.18
Maple Sap* (for Maple Syrup)	0.07	0.20	0.04
	0.07		
Mesculin Mix		0.79	0.16
Microgreens		7.15	1.40

	CARES Act Payment	CARES Act Payment Rate for Product that left the farm but spoiled due to loss of	accan an a			
Commodity	Rate for Sales Losses (\$/lb)	marketing channel (\$/lb)	CCC Payment Rate (\$/lb)			
Mint (Others not	(ψ/10)	(ψ/10)	(ψ/10)			
listed)		0.93	0.18			
Nectarines		0.30	0.06			
Parsley	0.19	0.23	0.04			
Peppermint	1.60	5.40	1.06			
Persimmons		0.53	0.10			
Pistachios	0.22	1.28	0.25			
Plantains	0.18	0.15	0.03			
Pomegranates		0.54	0.11			
Pummelos		0.21	0.04			
Pumpkins	0.72	0.39	0,08			
Rutabagas	0.08	0.19	0.04			
Shallots	0.51	0.70	0.14			
Spearmint	1.60	4.80	0.94			
Tangelos	0.05	0.22	0.04			
Turmeric		1.05	0.20			
Turnips (Celeriac)		0.20	0.04			
Upland and						
Winter Cress		2.18	0.43			
Watercress		2.18	0.43			
Yautia (Malanga).	0.48	0.42	0.08			
Yuca (Cassava)		0.16	0.03			
* The payment rates for Maple Sap (for Maple Syrup) are \$/gallon.						

Table 2—Payment Rates for Non-specialty Crops and Livestock

		CARES Act	CCC
		Payment Rate	Payment Rate
Commodity	Unit	(\$/unit)	(\$/unit)
Liquid Eggs	Pound	\$0.05	\$0.02
Frozen Eggs	Pound	0.06	0.02
All Other Sheep (All sheep greater			
than 2 years of age)	Head	24.00	7.00

Table 3—Payment Rates for Aquaculture Commodities

	Unit	CARES Act	CCC
		Payment Rate	Payment Rate
Commodity		(\$/unit)	(\$/unit)
Crawfish	Pound	\$0.65	\$0.05
Catfish	Pound		0.07
Largemouth Bass and Carp Sold as	Pound		
Foodfish		0.51	0.39
Hybrid Striped Bass	Pound		0.25
Red Drum	Pound		0.24
Salmon	Pound	1.14	0.31
Sturgeon	Pound		0.29
Tilapia	Pound		0.16
Trout	Pound		0.11
Ornamental or Tropical Fish	Piece		0.03
Recreational Sportfish	Pound		0.27

Stephen L. Censky,

Vice Chairman,

Commodity Credit Corporation, and

Deputy Secretary,

U.S. Department of Agriculture.

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