

The CARES Act passed last week by Congress offers numerous programs to help agriculture, small businesses and taxpayers. The funding for agriculture is focused in three main areas:

- Nutrition (\$25.6 Billion)
- Livestock and Specialty Crop Support (\$9.5 Billion)
- CCC Replenishment (\$14 Billion)

The bill authorizes USDA to spend money on each of these programs and provides some guidelines; however, it will be up to the USDA to develop rules and administer many of these programs. It will likely be several weeks before details emerge as to how these funds will be distributed to producers.

- **The \$9.5 billion to the Office of the Secretary will have to go towards development of a new program specifically allocated to livestock and specialty crop producers.**
- **\$14 billion went to replenish CCC funds.** The USDA had requested \$22 - \$23 Billion to fully replenish CCC funding, which is used to fund PLC, ARC, MFP and other farm programs. The USDA will now have to develop a new program in the coming weeks to distribute these funds.

Agriculture Funding in CARES Act

USDA/OFFICE OF THE SECRETARY – \$9.5 billion

The bill provides \$9.5 billion in emergency COVID-19 response funding to support agricultural producers impacted by COVID-19, including producers of specialty crops, producers that supply local food systems, and livestock producers.

USDA/OFFICE OF INSPECTOR GENERAL – \$750,000

The bill provides funding for conducting audits and investigations of projects and activities carried out with the supplemental funding provided in response to coronavirus.

USDA/ANIMAL AND PLANT HEALTH INSPECTION SERVICE – \$55 million

The bill provides an additional \$55 million to cover salary expenses to offset the decrease in user fee revenue caused by business disruptions.

USDA/AGRICULTURAL MARKETING SERVICE – \$45 million

The bill provides an additional \$45 million to cover salary expenses to offset the decrease in user fee revenue caused by business disruptions.

USDA/FOOD SAFETY AND INSPECTION SERVICE – \$33 million

The bill provides \$33 million to support staffing and overtime expenses for Food Safety Inspection Service inspectors at federally inspected slaughter facilities.

USDA/FARM SERVICE AGENCY – \$3 million

The bill provides \$3 million to support temporary staff and overtime costs resulting from increased volume of applications in response to coronavirus.

USDA/RURAL DEVELOPMENT – \$145.5 million

- **RURAL BUSINESS COOPERATIVE SERVICE – \$20.5 million**
The bill provides the necessary subsidy to make \$1 billion in lending authority available for the Business and Industry loan guarantee program, which provides much-needed financing to business owners that might not be able to qualify for a loan on their own.

- **RECONNECT PILOT – \$100 million**
The bill provides grants for the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service in eligible rural areas
- **DISTANCE LEARNING, TELEMEDICINE (DLT), AND BROADBAND PROGRAM – \$25 million**
The bill provides additional funding for the DLT grant program, which supports rural communities' access to telecommunications-enabled information, audio, and video equipment, as well as related advanced technologies for students, teachers, and medical professionals.

USDA/FOOD AND NUTRITION SERVICE – \$25.06 billion

- **CHILD NUTRITION PROGRAMS – \$8.8 billion**
The bill provides additional funding for food purchases and demonstration projects to increase flexibility for schools.
- **SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) – \$15.51 billion**
The bill provides additional funding for SNAP to cover waiver authorities granted in H.R. 6201 and anticipated increases in participation as a result of coronavirus.
- **FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS – \$100 million**
The bill provides additional funding for low-income households living on Indian reservations and participating Indian Tribal Organizations.
- **NUTRITION ASSISTANCE FOR THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS, PUERTO RICO, AND AMERICAN SAMOA – \$200 million**
The bill provides additional funding for U.S. territories that cannot access SNAP. This amount is in addition to annual block grant funding.
- **THE EMERGENCY FOOD ASSISTANCE PROGRAM – \$450 million**
The bill provides additional funding for commodities and distribution of emergency food assistance through community partners, including food banks.

USDA/FOREIGN AGRICULTURAL SERVICE – \$4 million

The bill provides additional funding to cover the cost of repatriating FAS employees stationed abroad.

FOOD AND DRUG ADMINISTRATION – \$80 million

The bill provides additional funding to support the development of necessary medical countermeasures and vaccines, advance domestic manufacturing for medical products, and monitor medical product supply chains.

COMMODITY CREDIT CORPORATION (CCC)

The bill includes language that replenishes the CCC borrowing authority by \$14 billion.

Small Business Funding in CARES Act

The bill provides \$562 million to ensure that SBA has the resources to provide Economic Injury Disaster Loans (EIDL) to businesses that need financial support during this difficult time. The SBA has published an application guide for the EIDL, <https://covid19relief.sba.gov/#/>.

Unfortunately, the application guide specifically states that agricultural enterprises (e.g., farm), other than an aquaculture enterprise, agricultural cooperative, or nursery are not eligible entities.

- While the intention was to allow farmers to be eligible for EIDL in the CARES Act; there continues to be confusion if the specific language in the text of the bill extends coverage to farmers.

Taxpayer Funding in CARES Act

Provides recovery checks to most taxpayers, providing cash immediately to individuals and families. Individuals are eligible for checks up to \$1,200 and married couples filing jointly are eligible for checks up to \$2,400, with an extra \$500 for each child. Even people with no income and or only Social Security income are eligible. So that relief is focused on those who need it most, eligibility for recovery checks is reduced starting at \$75,000 in income for individuals and \$150,000 in income for joint filers. Individuals with income exceeding \$99,000 and joint filers with income exceeding \$198,000 are ineligible. Eligibility is based on 2019 tax returns, or 2018 returns if the 2019 return has not yet been filed.