

NORTHEAST OHIO AGRICULTURE NEWSLETTER

Your Weekly Agriculture Update for
Ashtabula, Portage and Trumbull Counties

May 26, 2020



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Hello Northeast Ohio Counties!

We hope everyone had a wonderful memorial day weekend with your families! Crops are rapidly progressing with our warmer temperatures. Corn is starting to emerge all-over NE Ohio, forages are being harvested, and our wheat is approaching or is already at Feekes 10.

Please reach out to one of us if you have questions. As always, we are here to assist you. Happy planting!

Have a great week!

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The Ag Law Harvest

By: Peggy Kirk Hall, Associate Professor, Agricultural & Resource Law

Source: <https://farmoffice.osu.edu/blog/tue-05192020-1057am/ag-law-harvest>

Many people are still working from home, but that hasn't stopped legal activity in Washington, D.C. Bills have been proposed, federal rules are being finalized, and new lawsuits are in process. Here's our gathering of the latest ag law news.

SBA posts Paycheck Protection Program (PPP) loan forgiveness

application. We've been waiting to hear more about how and to what extent the SBA will forgive loans made under the CARES Act's PPP that many farm businesses have utilized. The SBA recently posted the forgiveness application and instructions for applicants [here](#). But there are still unanswered questions for agricultural applicants as well as talk in Congress about changing some of the forgiveness provisions, suggesting that loan recipients should sit tight rather than apply now. Watch for our future blog post and a discussion on the forgiveness provisions in our next [Farm Office Live webinar](#).

House passes another COVID-19 relief bill. All predictions are that the bill will go nowhere in the Senate, but that didn't stop the House from passing a \$3 trillion COVID-19 relief package on May 15. The "HEROES Act" includes a number of provisions for agriculture, including an additional \$16.5 billion in direct payments to producers of commodities, specialty crops and livestock, as well as funds for local agriculture markets, livestock depopulation losses, meat processing plants, expanded CRP, dairy production, other supply chain disruptions, and biofuel producers (discussed below). Read the bill [here](#).

Proposed bipartisan bill designed to open cash market for cattle. Last week, Republican Senator Chuck Grassley and Democratic Senator Jon Tester introduced a bill that "would require large-scale meatpackers to increase the proportion of negotiable transactions that are cash, or 'spot,' to 50 percent of their total cattle purchases." The senators hope this change would bring up formula prices and allow livestock producers to better negotiate prices and increase their profits. In addition, the sponsors claim the bill would provide more certainty to a sector hard hit by coronavirus. Livestock groups aren't all in agreement about the proposal. You can read the bill [here](#), Senator Grassley's press release [here](#) and Senator Tester's news release [here](#).

New Senate and House bills want to reform the U.S. food system. Representative Ro Khanna from California has introduced the House [companion bill](#) to the Senate's [Farm System Reform Act](#) first introduced by Senator Cory Booker in January. The proposal intends to address underlying problems in the food system. The bill places an immediate moratorium on the creation or expansion of large concentrated animal feeding operations and requires such operations to cease by January 1,

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2040. The proposal also claims to strengthen the Packers and Stockyards Act and requires country of origin labeling on beef, pork, and dairy products. The bill would also create new protections for livestock growers contracted by large meat companies, provide money for farmers to transition away from operating animal feeding facilities, strengthen the term "Product of the United States" to mean "derived from 1 or more animals exclusively born, raised, and slaughtered" in the U.S., and, similar to the Grassley/Tester bill above, require an increased percentage of meatpacker purchases to be "spot" transactions.

Lawmakers ask Trump to reimburse livestock producers through FEMA. In another move that seeks to help livestock producers affected by the pandemic, a bipartisan group of U.S. Representatives sent a letter to Donald Trump imploring him to issue national guidance to allow expenses of livestock depopulation and disposal to be reimbursed under FEMA's Public Assistance Program Category B. The lawmakers reason that FEMA has "been a valued Federal partner in responding to animal losses due to natural disasters," and that the COVID-19 epidemic should be treated "no differently." You can read the letter [here](#).

More battling over biofuels. Attorneys General from Wyoming, Utah, Louisiana, Oklahoma, Texas, Arkansas and West Virginia have sent a request to EPA Administrator Andrew Wheeler to waive the Renewable Fuel Standard (RFS) because of COVID-19 impacts on the fuel economy. The letter states that reducing the national quantity of renewable fuel required would alleviate the regulatory cost of purchasing tradable credits for refiners, who use the credits to comply with biofuel-blending targets. Meanwhile, 70 mayors from across the U.S. wrote a [letter](#) urging the opposite, and criticizing any decisions not to uphold the RFS due to the impact that decision would have on local economies, farmers, workers, and families who depend on the biofuels industry. The House is also weighing in on the issue. In its recently passed [HEROES Act](#), the House proposes a 45 cents per gallon direct payment to biofuel producers for fuels produced between Jan 1 and May 1, 2020 and a similar payment for those forced out of production during that time.

New USDA rule for genetically engineered crops. A final rule concerning genetically engineered organisms is set to be published this week. In the rule, USDA amends biotechnology regulations under the Plant Protection Act. Importantly, the new rule would exempt plants from regulation by the Animal and Plant Health Inspection Service (APHIS) if the plants are genetically engineered but the same outcome could have occurred using conventional breeding. For instance, gene deletions and simple genetic transfers from one compatible plant relative to another would be exempted. If new varieties of plants use a plant-trait mechanism of action combination that has been analyzed by APHIS, such plants would be exempt. You can read a draft of the final rule [here](#).

Trump’s new WOTUS rule attacked from both sides of the spectrum. A few weeks ago, we [wrote about](#) the Trump Administration’s new “waters of the United States” or WOTUS rule. Well, it didn’t take too long for those who oppose the rule to make their voices heard. The New Mexico Cattle Growers Association (NMCGA) sued the administration, claiming that the new rule is still too strict and leaves cattle ranchers questioning whether waters on their land will be regulated. In their [complaint](#), NMCGA argues that the new definition violates the Constitution, the Clean Water Act, and Supreme Court precedent. On the other side, the Natural Resources Defense Council (NRDC), along with other conservation groups, [sued](#) the administration, but argued that the new rule does not do enough to protect water and defines “WOTUS” too narrowly. Here we go again—will WOTUS ever truly be settled?

The Farm Office is Open! Join us for analysis of these and other legal and economic issues facing farmers in the Farm Office Team’s next session of “**Farm Office Live**” on **Thursday, May 28 at 9:00 a.m.** Go to [this link](#) to register in advance or to watch past recordings.

Control of Multiflora Rose in Pastures

By: Dean Kreager, Licking County Agriculture and Natural Resources Educator

Source: <https://u.osu.edu/beef/2020/05/20/control-of-multiflora-rose-in-pastures/>

There is one pasture project that never seems to go away. That is controlling the multiflora rose. The plant was first introduced into the United States in 1866 to be used as a rootstock for grafting roses. About 70 years later the U.S. Soil Conservation Service promoted the use of multiflora rose as a “living fence” and a means of erosion control. The adaptability of this plant allowed it to get out of control. Over the years this plant has made the list of noxious weeds in many states and is taking over many pastures in this part of the country. The battle to gain control is difficult and maintenance is continual.

The leaves and thorns on this plant make it easy to identify as a rose. Left on its own, this plant can quickly form dense thickets over 6 feet high. The white flowers it produces in May to June lead to seeds that birds are more than happy to spread throughout pastures. One multiflora rose can produce up to 500,000 seeds per year. Once deposited these seeds can remain viable for up to 20 years. Seeds are not the only way this plant spreads. Stems that are in contact with the ground can form roots which become a new plant, and roots are also able to produce new plants.

What makes this such a problem plant? Most species of pasture animals do not eat multiflora rose. This allows it to out compete the plants the animals prefer to eat, and it takes over larger areas of pasture every year. Thorns can also cause damage to eyes and other sensitive skin areas. You probably have noticed how animals will leave a

patch of grass around the multiflora rose. If you add up all the patches of pasture that are lost to these weeds it soon becomes a significant amount.

There are a variety of methods available for controlling multiflora rose.

Mechanical Methods:

Pulling it out is an option if you only have a few plants to deal with but, if you do not get all of the roots new shoots will soon emerge. Routine mowing will keep these weeds under stress, which may cause some to die. Mowing will help slow the spread but is unlikely to kill a large percentage of the plants.

Biological Controls:

Goats are likely the best biological method of control for multiflora rose. About 80% of a goat's diet can come from browse and goats are often happy to eat multiflora rose. Adding some goats to your pasture can help remove woody plants. The challenge with goats is the ability to keep them in the desired fenced area. They also need to continue eating these plants to the ground until the root reserves are used and the plant dies. A second biological control, Rose Rosette Disease, is a viral infection carried by small mites. It can kill multiflora rose but will also kill ornamental roses and some fruits. Because of the damage to other plants this biological control is not being promoted. A third biological possibility is a rose seed chalcid wasp, but these are not common enough to be significant.

Chemical Control:

There are several herbicide options available and the effectiveness of each may depend on the season. Basal bark and cut stem applications can be conducted year-round. Foliar applications are most effective from now until fall. The 2020 Ohio Weed Control Guide is an excellent resource that has reviewed the effectiveness and application considerations of many herbicides. The following information is from that guide which can be obtained from your local Extension Office or online. I will just concentrate on a few of the foliar options.

An herbicide of 2,4-D plus triclopyr (examples: Crossbow, Crossroad, Candor) can be used in a foliar application and is very effective from late April through early June. A 1.5% solution will kill multiflora rose and other broadleaf plants but will not kill grass so you can spot spray without leaving dead patches. There are some grazing restrictions such as 14 days after treatment for dairy animals. Other livestock does not have a waiting period between application and grazing but remove animals 3 days before slaughter. Read the label for more details.

Glyphosate can be used as a spot treatment when mixed at a 2% volume to volume rate. It is best used in late spring to summer when the plants are fully leafed.

Glyphosate has the advantage of lacking soil activity so can be used around trees if

carefully applied. This will kill most plants that it comes in contact with in a pasture so overspray will cause bare patches. Grazing or harvesting should not occur for 14 days after application.

Metsulfuron methyl (examples: Patriot, Cimarron Plus) has also been very effective at controlling multiflora rose. It is best applied as a foliar spray in late spring or summer when plants are fully leafed. For spot spraying mix at a rate of 1 ounce per 100 gallons of water. This product has a long residual time and restrictions of 34 months for many crops. There are also restrictions where runoff may occur. There are however no grazing restrictions at this application rate.

The label of the pesticide is the law and must be followed so read the label before mixing or using the pesticide. The three treatments above are not the only options but are examples of treatments that have worked well in Ohio.

Due to the characteristics of multiflora rose there will always need to be a follow-up program to keep the numbers down in pasture areas.

Scab Risk Low, but Keep Your Eyes on Leaf Diseases

By: Pierce Paul

Source: <https://agcrops.osu.edu/newsletter/corn-newsletter/2020-14/scab-risk-low-keep-your-eyes-leaf-diseases>

According to the FHB forecasting system, the risk for head scab continues to be low across the state of Ohio, for wheat flowering (or barley heading) today, May 18. In spite of the wet weather we have had, it has been very cold over the last week to 10 days. Cold temperatures between heading and flowering usually reduce the risk for scab, as the disease develops best under warm, wet, or humid conditions. However, you must continue to be vigilant as the crop in the northern half of the state approach heading and anthesis. If it continues to rain and stays wet and humid over the next few weeks, the risk for scab and vomitoxin will increase as the temperature increases. Be prepared to treat fields with Prosaro, Caramba, or Miravis Ace. Click on this link for more details on fungicide application for head scab control: <https://agcrops.osu.edu/newsletter/corn-newsletter/2020-13/managing-head-scab-fungicides-qa>

While scab is not yet a concern, either because it is too early, or because it has been too cold, current conditions do favor leaf diseases such as Septoria leaf spot and powdery mildew. Both have been reported on the lower leaves of susceptible varieties and will continue to spread up the plant if it stays cool and wet. In addition, persistent rainfall and warmer temperatures over the next few weeks will not only increase the risk for scab, but will also increase the spread and severity of

other diseases such as Stagonospora leaf and glume blotch. All of these diseases can reduce grain yield and quality, if flag leaves and heads are severely damaged before grain fill is complete. Continue to walk fields and look for leaf diseases. If the variety is susceptible, an early fungicide application may be needed to keep leaf diseases in check. Otherwise, an application (of Prosaro, Caramba or Miravis Ace) at or shortly after flowering (at or shortly after heading in barley) for scab control will also provide effective control of leaf diseases.

Limited Pesticide and Fertilizer Testing to Resume at ODA June 2nd

By: Ohio Department of Agriculture

Source: <https://agri.ohio.gov/wps/portal/gov/oda/divisions/plant-health/news-and-events/limited-pesticide-fertilizer-testing-to-resume-june-2>

If you are in need of a Pesticide or Fertilizer License, testing will resume in Reynoldsburg on June 2nd. Just as a reminder, those of you who's license expired this spring and still haven't received your recertification training we are still working with ODA for a solution. We will update you once we know more.

The Ohio Department of Agriculture (ODA) will resume testing for pesticide and fertilizer applicators on Tuesday, June 2nd. Exam sessions will meet Ohio's current standards for both meeting size and social distancing. Exams will be held in the Bromfield Administration Building on ODA's campus in Reynoldsburg.

Testing sessions will initially be scheduled on Tuesdays, Wednesdays and Thursdays at 9 a.m. and 1 p.m. Pre-registration is required and can be accessed [here](#). **No walk-in test takers will be permitted.** Masks and photo IDs are required; pencils and calculators will be provided.

Due to the COVID-19 Pandemic, we ask that every person taking the exam do a self-check before entering ODA's campus. Please take your temperature at home to ensure it is below 100 degrees. If you are feeling sick, please reschedule your exam. Please wear a mask and make sure it is covering your nose and mouth the entire time you are taking the exam. You can find additional information on how to [slow the spread of COVID-19 here](#).

Per OAC 901:5-11-08(A)(7), applicants must wait five business days between testing sessions. For additional information, please call the [Pesticide & Fertilizer Regulation Section](#) at 614-728-6987, option 1 or email pesticides@agri.ohio.gov.

For additional information regarding testing sessions and steps ODA is taking to protect Ohioans, please [visit our website](#).

Sign up for USDA-CFAP Direct Support to Begin May 26, 2020

By: Ben Brown, Peggy Kirk Hall, David Marrison, Dianne Shoemaker and Barry Ward
Source: https://farmoffice.osu.edu/sites/aglaw/files/site-library/CFAP_Payments_Final_5_20_2020.pdf

Since the enactment of the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020 and the announcement of the Coronavirus Food Assistance Program (CFAP) on April 17, 2020, producers in Ohio and across the country have been anxiously awaiting additional details in how the Coronavirus Food Assistance Program (CFAP) will provide financial assistance for losses experienced as a result of lost demand, short-term oversupply and shipping pattern disruptions caused by COVID-19. The additional details on CFAP eligibility, payment limitations, payment rates, and enrollment timeline arrived on May 19, 2020, when the USDA issued its Final Rule for CFAP. We explain the Final Rule in this issue of the News from the Farm Office.

See the attached PDF to read this entire article or click the source link above.



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Ben Brown, Peggy Kirk Hall, David Marrison, Dianne Shoemaker and Barry Ward
The Ohio State University

Since the enactment of the Coronavirus Aid, Relief, and Economic Security (CARES) Act on March 27, 2020 and the announcement of the Coronavirus Food Assistance Program (CFAP) on April 17, 2020, producers in Ohio and across the country have been anxiously awaiting additional details on how the Coronavirus Food Assistance Program (CFAP) will provide financial assistance for losses experienced as a result of lost demand, short-term oversupply and shipping pattern disruptions caused by COVID-19. The additional details on CFAP eligibility, payment limitations, payment rates, and enrollment timeline arrived on May 19, 2020, when the USDA issued its Final Rule for CFAP. We explain the Final Rule in this issue of *News from the Farm Office*.

Background

CFAP will utilize \$9.5 billion of funding provided from the CARES Act and \$6.5 billion from the Commodity Credit Corporation (CCC) to provide \$19 billion in total support to agricultural producers through two elements: \$16 billion in *Direct Support to Farmers and Ranchers* and \$3 billion in the *USDA Purchase and Distribution Program*. The Purchase and Distribution Program is already underway.

Until May 19, little was known about the *Direct Support to Farmers and Ranchers Program*. Early in May, Senate Agricultural Appropriations Chairman John Hoeven (SD) released to reporters the anticipated payment breakdowns per commodity at \$5.1 billion for cattle, \$2.9 billion for dairy, \$1.6 billion for hogs, \$3.9 billion for row crops, \$2.1 billion for specialty crops and \$0.5 billion for other crops. These breakdowns in funding **have not been confirmed** by USDA nor were they mentioned in USDA's press conference and press release on May 19, 2020. The remainder of this article focuses on what we do know about the *Direct Support to Farmers and Ranchers Program* portion in CFAP based upon the USDA's Final Rule.

Eligibility Requirements

Eligible producers are defined as any person or legal entity that shared in the risk of producing the crop or is entitled to share in the revenue from marketing on January 15, 2020 or April 16, 2020 through May 14, 2020. An eligible producer must also be a U.S. citizen or resident alien.

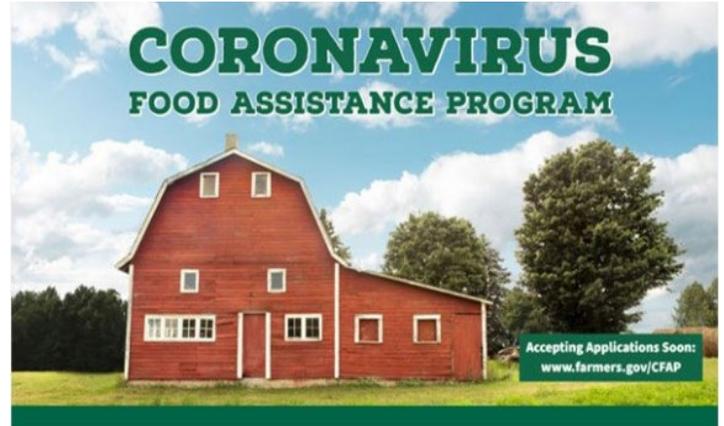


Photo Source: United States Department of Agriculture

Eligible non-specialty crops and wool include malting barley, canola, corn, upland cotton, millet, oats, soybeans, sorghum, sunflowers, durum wheat, hard red spring wheat, and wool. Notable for Ohio producers is the absence of soft red winter wheat.

Eligible specialty crops include apples, avocados, blueberries, cantaloupe, grapefruit, kiwifruit, lemons, oranges, papaya, peaches, pears, raspberries, strawberries, tangerines, tomatoes, and watermelons, artichokes, asparagus, broccoli, cabbage, carrots, cauliflower, celery, sweet corn, cucumbers, eggplant, garlic, iceberg lettuce, romaine lettuce, dry onions, green onions, peppers, rhubarb, spinach, squash, sweet potatoes, taro, almonds, pecans, walnuts, beans, and mushrooms. Additional crops may be added later, specifically aquaculture and nursery crops including cut flowers. The Agricultural Marketing Service will assist the Farm Service Agency with respect to matters dealing with producers of specialty crops.

Eligible livestock include cattle, sheep (yearlings and lambs only), and hogs. Dairy milk is eligible but has a separate payment calculation.

To be eligible, commodities had to experience a 5% or greater drop in their corresponding futures prices between the weeks of January 13-27 and April 6-9, 2020. For non-specialty crops and livestock, the decline in price was calculated by using the average of futures prices or cash prices if futures prices were not available. For specialty crops, the price decline was calculated using the same periods and reported prices by the Agricultural Marketing Service.



Payment Limitations

CFAP payments are subject to a per person or per legal entity payment limitation of \$250,000. This is an increase from normal USDA payment limitations of \$125,000. This limit is the sum of all eligible commodity payments paid to a person or entity. The total payment amount of CFAP payments attributed to one individual will be determined by taking into account the individual's direct and indirect ownership interest of all the entities participating in CFAP funding. Unlike other FSA administered programs, special payment limitations will be applied to participants that are corporations, LLCs, and limited partnerships classified as corporate entities. In these cases, the entity can only receive funds for up to three shareholders who are contributing at least 400 hours of management or active personal labor to the business. The rate is \$250,000 per person with a maximum of \$750,000 per entity.

A person or legal entity other than a joint venture or general partnership is ineligible for payments if the average Adjusted Gross Income (AGI) for the 2016, 2017 and 2018 tax years is more than \$900,000 unless at least 75% of that person's AGI is derived from farming, ranching or forestry related activities.

Timeline and Application

Eligible producers can start signing up for assistance at their local Farm Service Agency office on **Tuesday, May 26, 2020**. Currently due to COVID-19 restrictions, FSA Service Centers are open for business by phone appointment only. The FSA has streamlined the sign-up process and will be working with producers via phone and using e-mail, fax, mail, and online tools to accept applications. Producers can find the local FSA Service Center contact information by visiting this link: <https://offices.sc.egov.usda.gov/locator/app>. Sign up concludes at close of business on **August 28, 2020**.

Required forms at time of sign up include:

- A farm operating plan.
- CCC-901: name, address, Tax ID, citizen status.
- CCC-941: reports average gross income.
- CCC-942: certifies income source, if applicable.
- AD-1026: highly erodible land and wetland certification.
- AD-2047: provides basic customer contact information.
- SF-3881: collects bank information for direct deposit.

Producers who have previously participated in FSA programs will have most of these forms on record at their local FSA office. However, the forms are also available on USDA's website at <https://forms.sc.egov.usda.gov/eForms>.

The USDA may also require documentation of ability to harvest, transport, or market the crop in a quantity determined based on the producer's approved yield, expected production

or inventory of livestock, and the applicant's ownership or risk in the commodity.

Producers who are approved for participation in CFAP funding **must retain** documentation in support of their application for **three years** after the date of approval.

Payments and Payment Rates

Since funding sources include both the CARES Act and the Commodity Credit Corporation with two stated objectives, payment rates are split in three parts for specialty crops and two parts for non-specialty crops and livestock. The CFAP portion is intended to provide producers with financial assistance to "help offset sales losses and increased marketing expenses associated with the COVID-19 pandemic." Commodity Credit Corporation funding is used to provide partial compensation for the "purchases of materials and facilities required in connection with the production and marketing of agricultural commodities and the disposal of surplus commodities from normal marketing channels that may be currently unavailable." This support is to assist producers with losses, but not intended to cover total losses.

As applications are approved, 80% of the payment will be released with the remaining 20% held and paid at a later date if adequate funds remain. For all commodities listed below, the CFAP and CCC rates mentioned are appended in Tables 1 and 2. We explain the formulas and provide examples for each commodity below.

Payments for non-specialty crops and wool

The formula to calculate non-specialty crops and wool has two parts:

- Part 1: The **lesser** of either 50% of 2019 production or the unpriced inventory on hand as of January 15, 2020 multiplied by 50% and the CFAP per unit rate per commodity.
- Part 2: The **lesser** of either 50% of 2019 production or the unpriced inventory as of January 15, 2020 multiplied by 50% and the CCC per unit rate per commodity.

The January 15, 2020 inventory is calculated by adding current inventory plus sales records between January 15 and the date of enrollment. Other forms of acceptable documentation include ledgers of income, income statements of deposit slips, register tapes, invoices for custom harvesting, records to verify custom harvesting, records to verify production costs, truck scale tickets, or contemporaneous diaries that are determined acceptable by USDA. It is uncertain at this time how held futures contracts of commodities on January 15 will be treated. This is the case for producers who sell their entire crop at

(Payments and Payment Rates, continued)

harvest then buy futures contracts to capture market rallies. The grain producer has market risk, but no language was included for these producers.

Non-specialty crop and wool formula

$$(50\% * (\text{Lesser of } 50\% \text{ 2019 production or inventory } 1/15/20) * \text{CFAP Rate})$$

+

$$(50\% * (\text{Lesser of } 50\% \text{ 2019 production or inventory } 1/15/20) * \text{CCC Rate}) = \text{Payment}$$
Non-specialty crop and wool example

Scenario: 40,000 bushels of unpriced corn on hand 1/15/2020 representing 40% of 2019 production.

$$(40,000 \text{ bu.} * 50\% * \$0.32/\text{bu.}) = \$6,400$$

+

$$(40,000 \text{ bu.} * 50\% * \$0.35) = \$7,000$$

equals

Total Payment of \$13,400 (80% will be paid up front)

Payments for livestock

For livestock, the payment is the sum of two parts:

- Part 1: Livestock sales (number of head) between January 15, 2020 and April 15, 2020 multiplied by the corresponding animal species CFAP payment rate per head.
- Part 2: The highest amount of livestock inventory (number of head) on any day between April 16, 2020 and May 14, 2020 multiplied by the corresponding species CCC payment rate per head.

Separate payment rates exist for cattle and hogs of different size and age classifications: slaughter cattle-mature cattle, slaughter cattle-fed cattle, feeder cattle less than 600 pounds, feeder cattle 600 pounds or more; all other cattle, pigs (less than 120 pounds) and hogs.

Livestock formula

$$(\text{Animals (head) sold } 1/15/20\text{-}4/15/20 * \text{CARES Rate})$$

plus

$$(\text{Head of unpriced animals } 4/16/20\text{-}5/14/20 * \text{CCC Rate}) = \text{Payment}$$
Livestock example

Scenario: 50 head of feeder cattle more than 600 pounds sold 3/20/20 and 100 head of other cattle 5/1/20.

$$(50 * \$139) = \$6,950$$

+

$$(100 * \$33) = \$3,300$$

equals

Total Payment of \$10,250 (80% will be paid up front)

Payments for dairy

Dairy payments also have a two part formula:

- Part 1 is based on the producer's certified milk production during the first quarter of 2020 (January through March). The CARES rate represents 80% of the USDA calculated first quarter price decline.
- Part 2 multiplies first quarter production by 1.014 (adjusting for increased second quarter production) and the CCC payment rate representing 25% of the calculated price decline.

Dairy formula

$$(\text{1st quarter production} * \text{CARES Rate})$$

+

$$(\text{1st quarter production} * 1.014 * \text{CCC Rate}) = \text{Payment}$$
Dairy example

Scenario: 1st quarter milk production of 600,000 (6,000 cwt)

$$(6,000 * \$4.71) = \$28,260$$

+

$$(6,000 * 1.014 * \$1.47) = \$8,943.48$$

equals

Total Payment of \$37,203.48 (80% will be paid up front)

Payments for specialty crops

Specialty crop producers will receive a payment based on the sum of three parts:

- Part 1: Total sales multiplied by the CARES Act rate for sales lost, production that was shipped but unpaid.
- Part 2: Production multiplied by CARES Act rate for product that left the farm but spoiled due to loss of marketing channel, and unharvested production that was wasted due to lack of market access.
- Part 3: Unharvested production multiplied by the CCC payment rate.

Specialty crop formula

$$\text{Part 1} * \text{CARES Payment (Table 1, Column 2)}$$

plus

$$\text{Part 2} * \text{CARES Payment (Table 1, Column 3)}$$

plus

$$\text{Part 3} * \text{CCC Payment (Table 1, Column 4)}$$
Specialty crop example

Scenario: A producer sold 1,000 lbs. of tomatoes on 3/1/20, had 200 lbs. shipped but unpaid, and had 4,000 lbs. rot in the hoop house.

$$(1,000 \text{ lbs.} * \$0.64) = \$640$$

+

$$(200 \text{ lbs.} * \$0.38) = \$76$$

+

$$(4,000 \text{ lbs.} * \$0.07) = \$280$$

equals

Total Payment of \$996 (80% will be paid up front)

Conclusion

Starting Tuesday, May 26, 2020, producers can contact their local FSA office and begin to sign up for CFAP funding authorized under the CARES Act and the Commodity Credit Corporation. Producers who are new to FSA programs will need to fill out paperwork and verify their ownership share or risk exposure, adjusted gross income, wetland and erodible land compliance and their contact information. Producers who participate in Farm Bill programs like Agricultural Risk Coverage, Price Loss Coverage or Dairy Margin Coverage will already have these forms on file. While the payment rates per commodity are the same for all producers, these payments are based on actual losses experienced earlier this year and as a result require certification of inventories, sales, or sometimes both. While many forms of verification exist, sales tickets, certified inventory statements or insurance records appear the easiest to obtain.

We await additional details about this program. This bulletin serves as the authors' interpretations of the Final Rule released by USDA, and FSA interpretation may be different.

OSU Extension and Ohio FSA will conduct a webinar in the upcoming days to outline program materials and answer questions. For information about the webinar and additional information on CFAP, please visit farmoffice.osu.edu. Information provided on the program by USDA along with a webinar for new FSA program participants is available at farmers.gov/CFAP.

References

"Coronavirus Food Assistance Program." *Coronavirus Food Assistance Program Farmers.gov: Resources for Farmers and Producers*, www.farmers.gov/cfap.

7 CFR Part 9, Coronavirus Food Assistance Program, Final Rule, available at www.farmers.gov/cfap.

Appendix 1

Table 1. Payment rates for specialty crops			
Commodity	CARES Act Payment Rates for Sales Losses (\$/lb.) Column 2	CARES Act Payment Rate for Product that left the farm, but spoiled due to loss of marketing channel (\$/lb.) Column 3	CCC Payment Rate (\$/lb.) Column 4
Almonds	\$0.26	\$0.57	\$0.11
Apples	--	\$0.18	\$0.03
Artichokes	\$0.66	\$0.49	\$0.10
Asparagus	--	\$0.38	\$0.07
Avocados	--	\$0.14	\$0.03
Beans	\$0.17	\$0.16	\$0.03
Blueberries	--	\$0.62	\$0.12
Broccoli	\$0.62	\$0.49	\$0.10
Cabbage	\$0.04	\$0.07	\$0.01
Cantaloupe	--	\$0.10	\$0.02
Carrots	\$0.2	\$0.11	\$0.02
Cauliflower	\$0.11	\$0.31	\$0.06
Celery	--	\$0.07	\$0.01
Corn, sweet	\$0.09	\$0.13	\$0.03
Cucumbers	\$0.13	\$0.15	\$0.03
Eggplant	\$0.07	\$0.15	\$0.03
Garlic	--	\$0.85	\$0.17
Grapefruit	--	\$0.11	\$0.02
Kiwifruit	--	\$0.32	\$0.06
Lemons	\$0.08	\$0.21	\$0.04
Lettuce, iceberg	\$0.20	\$0.15	\$0.03
Lettuce, romaine	\$0.07	\$0.12	\$0.02
Mushrooms	--	\$0.59	\$0.11
Onion, dry	\$0.01	\$0.05	\$0.01
Onions, green	--	\$0.30	\$0.06
Oranges	--	\$0.14	\$0.03
Papaya	--	\$0.32	\$0.06
Peaches	\$0.08	\$0.32	\$0.06
Pears	\$0.08	\$0.18	\$0.03
Pecans	\$0.28	\$0.93	\$0.18
Peppers, bell	\$0.14	\$0.22	\$0.04
Peppers, other	\$0.15	\$0.22	\$0.04
Potatoes		\$0.04	\$0.01
Raspberries		\$1.45	\$0.28
Rhubarb	\$0.15	\$1.03	\$0.20
Spinach	\$0.37	\$0.37	\$0.07
Squash	\$0.72	\$0.39	\$0.08
Strawberries	\$0.84	\$0.72	\$0.14
Sweet Potatoes	--	\$0.18	\$0.04
Tangerines	--	\$0.22	\$0.04
Taro	--	\$0.23	\$0.05
Tomatoes	\$0.64	\$0.38	\$0.07
Walnuts	--	\$0.45	\$0.09
Watermelons	--	\$0.02	--

Table 2: Payment rates for non-specialty crops, dairy, and livestock			
Commodity	Unit	CARES Act Payment Rate (\$/unit)	CCC Payment Rate (\$/unit)
Barley (malting)	bushel	\$0.34	\$0.37
Canola	pound	\$0.01	\$0.01
Corn	bushel	\$0.32	\$0.35
Durum Wheat	bushel	\$0.19	\$0.20
Hard Red Spring Wheat	bushel	\$0.18	\$0.20
Millet	bushel	\$0.31	\$0.34
Oats	bushel	\$0.15	\$0.17
Sorghum	bushel	\$0.30	\$0.32
Soybeans	bushel	\$0.45	\$0.50
Sunflowers	pound	\$0.02	\$0.02
Upland Cotton	pound	\$0.09	\$0.10
Dairy	hundredweight	\$4.71	\$1.47
Slaughter Cattle-Mature cattle	head	\$92	\$33
Slaughter Cattle-Fed cattle	head	\$214	\$33
Feeder cattle less than 600 pounds	head	\$102	\$33
Feeder cattle 600 pounds or more	head	\$139	\$33
All other cattle	head	\$102	\$33
Pigs	head	\$28	\$17
Hogs	head	\$18	\$17
Lambs and Yearlings	head	\$33	\$7
Wool (graded, clean basis)	pound	\$0.71	\$0.78
Wool (non-graded, greasy basis)	pound	\$0.36	\$0.39