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## FISCAL UPDATE Article

Fiscal Services Division

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### COVID-19 — USDA FOOD ASSISTANCE PROGRAM

**Program Announced.** United States Secretary of Agriculture Sonny Perdue, United States Department of Agriculture (USDA), announced on April 17, 2020, that farmers, ranchers, and consumers would receive financial assistance from the Coronavirus Food Assistance Program (CFAP). Funding is provided from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the Families First Coronavirus Response Act (FFCRA), and other existing USDA authorities. The CFAP includes two types of payments with two main goals:

- Payments totaling \$16.000 billion for farmers and ranchers to compensate for decreases in commodity prices and changes in the market supply chains that have resulted from the impacts of COVID-19.
- An additional \$3.000 billion to purchase fresh produce, dairy, and meat products. This will begin with an estimated \$100.0 million per month to purchase fresh fruits and vegetables, \$100.0 million per month for dairy products, and \$100.0 million per month for meat products. The food will be distributed to food banks, community and faith-based organizations, and other nonprofit organizations.

**Other Funding.** The USDA can provide additional aid from the following resources:

- The USDA can use up to \$873.3 million from the [Section 32 Program](#) to purchase agricultural products for distribution to food banks. The use of the funds will be based on industry requests, USDA agricultural market analysis, and food bank requests.
- Funding from the FFCRA and the CARES Act provides approximately \$850.0 million for food bank administrative costs and USDA food purchases. The use of these funds will be determined by the products available and the need from the food banks.

**COVID-19 Resource Guide.** To provide information on the various COVID-19 assistance programs, the USDA has developed a [COVID-19 Federal Rural Resource Guide](#). This guide provides general information, technical assistance, and financial assistance for persons working in the agricultural sector. The USDA COVID-19 [website](#) lists programs, announcements, activities, and other information related to COVID-19.

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