



**BILLING CODE 3410-05-P**

**DEPARTMENT OF AGRICULTURE**

**Office of the Secretary**

**7 CFR Part 9**

**[Docket ID: FSA-2020-0004]**

**RIN 0530-AA65**

**Coronavirus Food Assistance Program; Correction**

**AGENCY:** Office of the Secretary, USDA.

**ACTION:** Correcting amendments.

**SUMMARY:** The Secretary of Agriculture is correcting a final rule that appeared in the *Federal Register* on May 21, 2020. The document was issued to implement the Coronavirus Food Assistance Program (CFAP) that provides assistance to agricultural producers impacted by the effects of the COVID-19 outbreak. There is one typo in the table of payment rates for the commodity of carrots that needs to be corrected.

Additional corrections are being made to add clarity to the rule.

**DATES:** *Effective Date:* [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** William L. Beam; telephone: (202) 720-3175; email: [Bill.Beam@usda.gov](mailto:Bill.Beam@usda.gov). Persons with disabilities who require alternative means for communication should contact the USDA Target Center at (202) 720-2600 (voice).

## **SUPPLEMENTARY INFORMATION:**

This document corrects the final rule that was published in the *Federal Register* on May 21, 2020 (85 FR 30825-30835). This document clarifies the definition of “Slaughter Cattle—fed cattle” to specify that the term refers to cattle with a weight of 1,200 pounds or more that are intended for slaughter.

This document clarifies specialty crop eligibility in § 9.5(b), and specifies that specialty crops that were harvested and shipped but that were subsequently spoiled or unpaid due to loss of marketing channels between January 15, 2020, and April 15, 2020, are eligible for payment under § 9.5(b)(2). It corrects § 9.5(b)(3) to specify that it includes donated crops and to remove the term “unpriced,” which does not apply to payments for specialty crops that did not leave the farm or were donated, or mature crops that remained unharvested between January 15, 2020, and April 15, 2020, due to loss of marketing channels. This document clarifies payment calculations for livestock under § 9.5(c)(1), (d)(1), and (f)(1) to specify that they are based on unpriced livestock sales, and it clarifies § 9.5(c)(2), (d)(2), and (f)(2) to specify that they apply to livestock inventory owned between April 16, 2020, and May 14, 2020. This document removes the definition of “unpriced inventory” and adds a similar definition of “unpriced” to be consistent with the use of the term throughout the regulation; the new definition also specifies that “unpriced” is based on whether a forward contract, agreement, or similar binding document was in place as of January 15, 2020.

The final rule did not address eligibility of dairy operations that went out of business prior to the second quarter or during second quarter production. This correction specifies that dairy operations that dissolved on or before March 31, 2020, are eligible for

payment under § 9.5(e)(1) using the CARES Act payment rate, and dairy operations that dissolve or have dissolved after March 31, 2020, are eligible for a prorated payment for the number of days the dairy operation commercially markets milk in the second quarter under § 9.5(e)(2) using the CCC payment rate. This clarification will not increase CFAP costs.

This document also corrects the CARES Act payment rate for sales losses for carrots, and table headings.

### **List of Subjects in 7 CFR Part 9**

Agricultural commodities, Agriculture, Disaster assistance, Indemnity payments. Accordingly, 7 CFR part 9 is corrected by making the following correcting amendments:

### **PART 9 – CORONAVIRUS FOOD ASSISTANCE PROGRAM**

1. The authority citation for part 9 continues to read as follows:

**Authority:** 15 U.S.C. 714b and 714c; and Division B, Title I, Pub. L. 116-136.

2. Amend § 9.2 as follows:

- a. Add the definition of “Second quarter” in alphabetical order;
- b. Revise the definition of “Slaughter cattle—fed cattle”; and
- c. Add the definition “Unpriced” in alphabetical order;
- d. Remove the definition of “Unpriced inventory”.

The additions and revision read as follows:

#### **§ 9.2 Definitions.**

\* \* \* \* \*

*Second quarter* means April, May, and June of 2020.

*Slaughter Cattle—fed cattle* means cattle with a weight of 1,200 pounds or more that are intended for slaughter.

\* \* \* \* \*

*Unpriced* means not subject to an agreed-upon price in the future through a forward contract, agreement, or similar binding document as of January 15, 2020.

\* \* \* \* \*

3. Amend § 9.5 as follows:

- a. Revise paragraph (b) introductory text;
- b. Revise paragraph (b)(2);
- c. Revise paragraph (b)(3);
- d. In paragraph (c)(1), remove the word “Cattle” and add the words “Unpriced cattle” in its place;
- e. In paragraph (c)(2), remove the words “Unpriced cattle inventory” and add the words “Cattle inventory owned” in their place;
- f. In paragraph (d)(1), remove the word “Hogs” and add the words “Unpriced hogs” in its place;
- g. In paragraph (d)(2), remove the words “Unpriced hog and pig inventory” and add the words “Hog and pig inventory owned” in their place;
- h. Add paragraph (e)(3);
- i. In paragraph (f)(1), remove the word “Lambs” and add the words “Unpriced lambs” in its place;
- j. In paragraph (f)(2), remove the words “Unpriced lambs and yearlings in inventory” and add the words “Lambs and yearlings in inventory owned” in their place;

k. In Table 1 to paragraph (h), revise the table heading, revise the heading for column 3, and revise the entry for “carrots”; and

l. In Table 2 to paragraph (h), revise the table heading.

The addition and revisions read as follows:

**§ 9.5 Calculation of payments.**

\* \* \* \* \*

(b) CFAP covers losses for specialty crops that experienced immediate losses, a price decline, spoiled, were unpaid, or were unharvested due to market conditions between January 15, 2020, and April 15, 2020. Specialty crops in inventory or in storage facilities that may be sold after April 15, 2020, are not eligible. Specialty crops that were under an agreed upon set price before January 15, 2020, and were or will be paid at that price or higher, do not qualify for assistance under paragraph (b)(1) of this section, but may qualify under paragraphs (b)(2) or (b)(3) of this section. Payments for eligible specialty crops will be the sum of:

\* \* \* \* \*

(2) For specialty crops harvested and shipped but that were subsequently spoiled or unpaid due to loss of marketing channels between January 15, 2020, and April 15, 2020, the harvested and shipped quantity that spoiled or is unpaid multiplied by the payment rate in column 3 of Table 1 in paragraph (h) of this section; and

(3) For specialty crops that did not leave the farm, were donated, or were mature crops that remained unharvested between January 15, 2020, and April 15, 2020, due to loss of marketing channel, the sum of the quantity of crops that did not leave the farm or

were donated, or the quantity of mature crops that remained unharvested, multiplied by the payment rate in column 4 of Table 1 in paragraph (h) of this section.

\* \* \* \* \*

(e) \* \* \*

(3) Dairy operations that dissolved on or before March 31, 2020, are eligible for payment under paragraph (e)(1) of this section. Dairy operations that dissolve or have dissolved after March 31, 2020, are eligible for a prorated payment under paragraph (e)(2) of this section for the number of days the dairy operation commercially markets milk in the second quarter.

\* \* \* \* \*

(h) \* \* \*

**Table 1 to paragraph (h)--Payment rates for specialty crops**

Commodity	CARES Act Payment Rate for Sales Losses (\$/lb)	CARES Act Payment Rate for Product that left the farm but spoiled or is unpaid due to loss of marketing channel (\$/lb)	CCC Payment Rate (\$/lb)
	* * *	* * *	* * *
Carrots.....	0.02	0.11	0.02
	* * *	* * *	* * *

\* \* \* \* \*

**Table 2 to paragraph (h)--Payment rates for non-specialty crops, dairy, livestock, and wool**

\* \* \* \* \*

Stephen L. Censky,

Vice Chairman,  
Commodity Credit Corporation, and  
Deputy Secretary,  
U.S. Department of Agriculture.

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