



COVID-19 Impacts on Arkansas' Agricultural and Rural Economies

**UPDATE:
Coronavirus Food Assistance Program
Payments in Arkansas**

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September 15, 2020

Over \$136 million in direct payments have been approved for Arkansas farmers and ranchers through the Coronavirus Food Assistance Program (CFAP) as of Monday, September 13th according to USDA reporting.

Table 1 provides details of the 18,163 applications that have been made through September 13th, with \$136,552,000 in payments approved. Payments to livestock producers account for over 69 percent of the approved CFAP payments for Arkansas. Non-specialty crops account for almost 27 percent of the state total. Non-specialty crops eligible for CFAP payments include malting barley, canola, corn, upland cotton, millet, oats, soybeans, sorghum, sunflowers, durum wheat, and hard red spring wheat. Rice and soft red winter wheat were excluded from the CFAP program. The remaining 3 percent of CFAP payments is split among Specialty crops (2.3 percent), Dairy (.7 percent) and the blended category of Aqua-Nursery-Flora (.6 percent).

Table 1. Coronavirus Food Assistance Program Payments, Arkansas (as of Sept. 13, 2020)

	Payments		
	Payments	(% of Total)	Applications
Livestock	\$94,887,191	69.5 percent	14,252
Non-specialty	\$36,613,585	26.8 percent	4,014
Specialty	\$3,181,520	2.3 percent	63
Dairy	\$1,014,595	.7 percent	40
Aqua Nursery Flora	\$855,109	.6 percent	20
Total	\$136,552,000		18,163

Source: USDA, Farm Service Agency.

With livestock and non-specialty crops accounting for just over 96% of the state's total CFAP payments, Tables 2 and 3 provide some additional detail in regard to specific commodity payments. As shown in Table 2, cattle accounts for the overwhelming majority of livestock CFAP payments with a cumulative total to date of over \$92 million or roughly 97% of the total livestock payments.

Table 2. Livestock CFAP Payments

Commodity	CFAP Payments	Percent of Total
Cattle	\$92,142,203	97.1%
Hogs	\$2,384,548	2.5%
Lambs-Lambs <2YRS	\$305,359	0.3%
Sheep-Sheep >2YRS	\$55,081	0.1%
TOTAL	\$94,887,191	

As mentioned, non-specialty crops account for almost 27 percent of the state's total CFAP payments. Among the eligible commodities, upland cotton, corn, soybeans and grain sorghum account for all of the non-specialty crop payments received in Arkansas. Cotton payments make up approximately 53% of total payments, while corn and soybeans make up 24.7% and 22.4% respectively.

Table 3. Non-Specialty CFAP Payments

Commodity	CFAP Payments	Percent of Total
Cotton-Upland	\$19,382,721	52.9%
Corn	\$9,030,071	24.7%
Soybeans	\$8,186,816	22.4%
Sorghum	\$13,502	0.04%
TOTAL	\$36,613,585	

Table 4 below provides a comparison of cumulative CFAP payments to U.S. and Arkansas producers. USDA Farm Service Agency (FSA) has already approved over \$9.9 billion in payments to U.S. producers who have applied for the program. FSA began taking applications May 26, and the agency has received 621,919 applications for this program. Arkansas' share of CFAP payments is relatively small at 1.4 percent of the total.

Table 4. Coronavirus Food Assistance Program Payments, U.S. and Arkansas (as of Sept. 13, 2020).

Commodity	U.S. Payments (\$)	Arkansas Payments (\$)	Arkansas % of U.S. Total	Arkansas Ranking
Livestock	\$4,872,174,302	\$94,887,191	1.9%	15
Non-specialty	\$2,584,080,982	\$36,613,585	1.4%	17
Specialty	\$647,035,786	\$3,181,520	0.5%	22
Dairy	\$1,736,703,648	\$1,014,595	0.1%	46
Aqua Nursery	\$81,612,764	\$855,109	1.0%	11
Total	\$9,921,607,482	\$136,552,000	1.4%	23

Source: USDA, Farm Service Agency.

USDA recently expanded eligibility of CFAP direct assistance to 41 more specialty crops, in addition to the 42 added in July, and has added sheep, frozen and liquid eggs, aquaculture, nursery crops and cut flowers. Sweet potatoes and pecans account for nearly all (99.6% or \$3,167,838) of Arkansas' specialty crop payments.

Producers of certain aquaculture are also eligible for CFAP assistance. Commodities under this category include: catfish, crawfish, largemouth bass and carp sold live as foodfish, hybrid striped bass, red drum, salmon, sturgeon, tilapia, trout, ornamental/tropical fish, and recreational sportfish. Catfish accounts for 83% or \$713,291 of Arkansas' Aqua-Nursery-Flora payments.

In addition, producers of nursery crops and cut flowers have been extended eligibility for CFAP. Nursery crops are considered decorative or non-decorative 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.

Created through the Coronavirus Assistance, Relief and Economic Security Act (CARES) and coordinated by the USDA Farm Service Agency, CFAP direct payments were designed to provide relief to eligible farmers and ranchers facing financial losses due to the impacts of the COVID-19 pandemic. Through CFAP, USDA made available \$16 billion in financial assistance to farmers.

The application period for CFAP ended on September 11 for producers in Arkansas. FSA has extended the deadline to October 9, 2020, for certain producers in Louisiana and Texas impacted by Hurricane Laura. More information on the CFAP program and the application process may be found at farmers.gov/cfap.

While Congress has yet to finalize the details of another coronavirus relief package, USDA is expected to announce details of a second CFAP aid program this month. Congress has approved \$14 billion dollars in Commodity Credit Corporation funds on top of \$16 billion allocated through CARES, which made direct payments based on producer losses in the first quarter of 2020.

USDA officials indicate the second version of the CFAP program will be more inclusive for commodities that weren't eligible for the first program. The second version is expected to cover COVID-19 losses from the 2020 growing season and others, like losses in the cattle industry, which were not addressed in the first program.

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