

**COVID-19 Impacts on Arkansas' Agricultural and Rural Economies**

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

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The contents of this report summarize the cumulative payments from the Coronavirus Food Assistance Program announced on April 17, 2020. The deadline for most producers to apply for what is now referred to as CFAP 1 was September 11. Certain producers in Louisiana, Oregon, and Texas have through October 9 to apply.

Almost \$139 million in direct payments have been approved for Arkansas farmers and ranchers through the Coronavirus Food Assistance Program (CFAP1) as of September 27<sup>th</sup> according to USDA reporting.

**Table 1** provides details of the 18,497 applications that have been approved through September 27<sup>th</sup>, with \$138,988,091 in payments disbursed. Payments to livestock producers account for 69 percent of the approved CFAP1 payments for Arkansas. Non-specialty crops account for almost 27 percent of the state total. Non-specialty crops eligible for CFAP1 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 CFAP1 program. The remaining 4 percent of CFAP1 payments is split among Specialty crops (2.6 percent), Dairy (.7 percent) and the blended category of Aqua-Nursery-Flora (1.1 percent). Sweet potatoes and pecans account for nearly all (99.5% or \$3,524,557) of Arkansas' specialty crop payments. Catfish accounts for 68% or \$1,010,380 of Arkansas' Aqua-Nursery-Flora payments.

**Table 1. Coronavirus Food Assistance Program Payments, Arkansas (as of Sept. 27, 2020).**

	Payments	Percent of Total	Applications
Livestock	\$95,640,507	68.8%	14,470
Non-specialty	\$37,311,967	26.9%	4,126
Specialty	\$3,542,754	2.6%	66
Dairy	\$1,014,595	0.7%	40
Aqua Nursery Flora	\$1,478,268	1.1%	28
<b>Total</b>	<b>\$138,988,091</b>		<b>18,497</b>

Source: USDA, Farm Service Agency.

With livestock and non-specialty crops accounting for 96% of the state's total CFAP1 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 CFAP1 payments with a cumulative total to date of \$92.9 million or roughly 97% of the total livestock payments.

**Table 2. Livestock CFAP1 Payments, Arkansas (as of Sept. 27, 2020).**

Commodity	Payments	Percent of Total
Cattle	\$92,876,061	97.1%
Hogs	\$2,398,493	2.5%
Lambs <2YRS	\$307,366	0.3%
Sheep >2YRS	\$58,587	0.1%
<b>TOTAL</b>	<b>\$95,640,507</b>	

Source: USDA, Farm Service Agency.

Non-specialty crops account for almost 27 percent of the state’s total CFAP1 payments. Among the eligible commodities, upland cotton, corn, soybeans and grain sorghum account for practically all of the non-specialty crop payments received in Arkansas. Cotton payments make up approximately 52% of total payments, while corn and soybeans make up 24.9% and 22.5% respectively.

**Table 3. Non-Specialty CFAP1 Payments, Arkansas (as of Sept. 27, 2020).**

Commodity	CFAP1 Payments	Percent of Total
Cotton-Upland	\$19,525,596	52.3%
Corn	\$9,316,240	24.9%
Soybeans	\$8,451,130	22.5%
Sorghum	\$18,526	0.1%
<b>TOTAL</b>	<b>\$37,311,492</b>	

Source: USDA, Farm Service Agency.

Table 4 below provides a comparison of cumulative CFAP1 payments to U.S. and Arkansas producers. USDA Farm Service Agency (FSA) has already approved almost \$10.2 billion in payments to U.S. producers who have applied for the program. FSA began taking applications May 26, and the agency has received 642,871 applications for this program. Arkansas’ share of CFAP1 payments is relatively small at 1.4 percent of the total.

Commodity	U.S. Payments (\$)	Arkansas Payments (\$)	Arkansas % of U.S. Total
Livestock	\$4,963,699,396	\$95,640,507	1.9%
Non-specialty	\$2,631,517,443	\$37,311,967	1.4%
Specialty	\$1,755,189,546	\$3,542,754	0.2%
Dairy	\$731,588,999	\$1,014,595	0.1%
Aqua Nursery	\$102,000,523	\$1,478,268	1.4%
<b>Total</b>	<b>\$10,183,995,907</b>	<b>\$138,988,091</b>	<b>1.4%</b>

USDA recently announced the implementation of Coronavirus Food Assistance Program 2 for agricultural producers. President Trump and Secretary of Agriculture Perdue announced on September 17 that USDA will implement an expansion of the Coronavirus Food Assistance Program. Of particular interest to Arkansas row crop producers would be the added program eligibility of rice, soft red winter wheat and peanuts. The application period for Coronavirus Food Assistance Program 2, or CFAP 2, runs from September 21 through December 11, 2020. More information on CFAP 2 can be found at <https://www.farmers.gov/cfap>

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