



"Working for Nebraska beef producers – pasture to plate."

What is the Market Facilitation Program?

The Market Facilitation Program (MFP) provides assistance to farmers and ranchers with commodities directly impacted by unjustified foreign retaliatory tariffs, resulting in the loss of traditional export markets.

What commodities are covered?

MFP provides payments to eligible producers of:

- **Non-specialty crops**, including alfalfa hay, barley, canola, corn, crambe, dried beans, dry peas, extra-long staple cotton, flaxseed, lentils, long grain and medium grain rice, millet, mustard seed, oats, peanuts, rapeseed, rye, safflower, sesame seed, small and large chickpeas, sorghum, soybeans, sunflower seed, temperate japonica rice, triticale, upland cotton, and wheat.
- **Specialty crops**, including almonds, cranberries, cultivated ginseng, fresh grapes, fresh sweet cherries, hazelnuts, macadamia nuts, pecans, pistachios, and walnuts.
- **Dairy and hogs.**

Who is eligible?

MFP provides payments to eligible producers of covered commodities, which includes non-specialty crops, specialty crops, dairy, and livestock.

To be eligible for payments, applicants also must either:

- Have an average adjusted gross income for tax years 2015, 2016, and 2017 of less than \$900,000; or
- Derive at least 75 percent of their adjusted gross income from farming or ranching.

Producers also must:

- Comply with the provisions of the "Highly Erodible Land and Wetland Conservation" regulations, often called the conservation compliance provisions.
- Have a farm number with USDA's Farm Service Agency.

In certain cases, producers who did not meet the adjusted gross income limitations for 2018 may now be eligible for payments under MFP.



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How do payments work?

Payments are calculated differently by the type of commodity:

- **Non-specialty crops:**
 - Assistance is based on a single-county payment rate multiplied by a farm's total plantings of MFP-eligible crops in aggregate in 2019. Those per-acre payments are not dependent on which of those crops are planted in 2019. A producer's total payment-eligible plantings cannot exceed total 2018 plantings. County payment rates range from \$15 to \$150 per acre, depending on the impact of unjustified trade retaliation in that county. Acreage of non-specialty must be planted by August 1, 2019 to be considered eligible for MFP payments.

- **Specialty crops, dairy & hogs:**
 - Rates include:
 - Dairy (milk): \$0.20 per hundredweight
 - Hogs: \$11 per head
 - Nuts: \$146 per acre
 - Cranberries: \$.03 per pound at 21,371 pounds per acre
 - Ginseng: \$2.85 per pound at 2,000 pounds per acre
 - Sweet cherries (fresh): \$0.17 per pound at 9,148 pounds per acre
 - Table grapes: \$0.03 per pound at 20,820 pounds per acre
 - Dairy producers who were in business as of June 1, 2019, will receive a per hundredweight payment on production history, and hog producers will receive a payment based on the number of live hogs owned on a day selected by the producer between April 1 and May 15, 2019



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**Should USDA use its authority under the Commodity Credit Corporation to provide immediate relief through funds and programs to cattle producers that are experiencing excessive price losses, functioning similar to MFP?*

What is the Commodity Credit Corporation (CCC)?

The CCC has served as a mandatory funding mechanism for agricultural programs since 1933. The CCC Charter Act enables the CCC to broadly support the U.S. agriculture industry through authorized programs including commodity and income support, natural resources conservation, export promotion, international food aid, disaster assistance, agricultural research, and bioenergy development.

How does the CCC Financing work?

CCC has an authorized capital stock of \$100 million held by the United States with the authority to have outstanding borrowing of up to \$30 billion at any one time. Its capital structure is replenished each year by appropriations to restore net realized losses on support operations and to reimburse costs of other programs.

At this time, the principal programs established by Congress that are funded by CCC include:

- Domestic farm income, price support and conservation programs
- Livestock and disaster assistance programs
- Export and foreign assistance programs
- Foreign market development and other international activities conducted by USDA
- Assistance for producers impacted by unjustified retaliation, including the Market Facilitation Program (MFP)

Do Cattle fit into a CCC Principal Programs?

- Currently, there are no CCC principal program that cover cattle. This is due to the fact cattle are not considered at "covered commodity" (See complete list on page one.)

Which Program Could be Work in this Situation?

- Option 1: The Price Loss Coverage (PLC) program issues payments when the effective price of a "covered commodity" is less than the respective reference price for that commodity. The effective price equals the higher of the market year average price (MYA) or the national average loan rate for the covered commodity.



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- Edits needed to qualify in this situation: Add cattle as a covered commodity.
- Option 2: The Livestock Indemnity Program (LIP) provides benefits to livestock producers for livestock deaths in excess of normal mortality caused by adverse weather or by attacks by animals reintroduced into the wild by the Federal Government. LIP payments are equal to 75 percent of the average fair market value of the livestock.
 - Edits needed to qualify in this situation: Qualify a human health pandemic as a natural disaster that qualifies a cattleman for an LIP payment. Additionally, an appropriate per head payment would need to be determined.
- Option 3: The Emergency Assistance for Livestock, Honey Bees, and Farm-raised Fish (ELAP) program provides financial assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions, including blizzards and wildfires, as determined by the Secretary. ELAP assistance is provided for losses not covered by other disaster assistance programs.
 - Edits needed to qualify in this situation: Qualify a human health pandemic as a natural disaster that qualifies a cattleman for an ELAP payment. Additionally, an appropriate per head payment would need to be determined.