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Alan Bjerga
(703) 243-6111 ext. 372
ABjerga@nmpf.org

NMPF Applauds Latest Disaster Assistance Efforts, Calls for Further Legislation

ARLINGTON, Va. – The National Milk Producers Federation thanked President Trump and Agriculture Secretary Sonny Perdue for again supporting dairy in its latest round of disaster assistance to agricultural producers, as well as Congress for providing the funding in the CARES Act in the spring. NMPF pledged to work with USDA and Congress as they chart paths forward toward providing necessary stimulus to the struggling dairy economy.

“This latest round of CFAP assistance will help many family dairy farmers suffering from the economic affects of the Covid-19 pandemic. As with most government assistance programs, it will not address the needs of all dairy farmers, but it will help bolster the safety net for many as we enter the fall and winter months,” said Jim Mulhern, president and CEO of NMPF.

“We urge lawmakers to make agriculture a priority in its next round of legislation addressing coronavirus,” Mulhern said. “Dairy farmers have been especially hard-hit by supply-chain disruptions, given the year-round, perishable nature of dairy products, and many are still struggling to repair balance sheets after five years of low prices that were only beginning to recover before COVID-19 shutdowns hit.”

USDA’s so-called CFAP 2.0 package builds on support offered earlier this year and combines disaster assistance to farmers with targeted government purchases that stabilize markets hit hard by COVID-19 related disruptions to supply chains. Highlights include:

- A dairy payment amounting to \$1.20-per-hundredweight on a farm’s production during the last nine months of 2020. Dairy payments will be based on actual milk production from April 1 to Aug. 31, 2020. Milk production for Sept. 1, 2020, to Dec. 31, 2020, will be estimated by FSA, using daily average production from the April-August base period of known production.
- 100% of the payment will be made once a farm’s eligibility is determined, meaning there will be no 20% holdback as with earlier assistance.
- For dairy beef, producers are eligible for cattle inventory payment on bull calves and dairy steers (including heifers), but not for breeding stock. The payment is \$55-per-head on eligible cattle in inventory on a date between April and the end of August selected by the producer.
- Significantly, this round’s payment limitation provision has been expanded to include trusts and estates for both rounds of CFAP payments, meaning those who were disadvantaged by restrictive trust-related payment interpretations in the first round will have their situation resolved for that round as well as in the latest tranche of aid. The application of direct attribution is also modified so that payment limits will not be reduced based on ownership shares, providing more equitable support to dairy farmers of various ownership structures.

NMPF expressed concern that payment limits included in earlier CFAP assistance are maintained in this round. “We are disappointed the department has continued to include payment limits on this disaster assistance, which is inequitable to the many large farms that have been hard hit by milk price declines,” Mulhern said.

President Trump mentioned the payments last night during a campaign stop in Wisconsin, and this morning, the USDA posted the details on its [CFAP website](#). Signup for the new round will begin on Monday and run through Dec. 11.

NMPF is activating its grassroots advocacy to assist in its efforts to meet dairy’s needs. More information on how to help can be found at NMPF’s new [“Take Action”](#) page. Additional resources to help the dairy community meet the coronavirus challenge can be found at www.nmpf.org/coronavirus.