



December 22, 2020

COVID-19 UPDATE



CONGRESS PASSES COVID-19 RELIEF BILL

Yesterday evening, Congress approved \$900 billion in Coronavirus relief, including \$26 billion specified for agriculture and nutrition.

The legislation makes two important amendments to the second Coronavirus Food Assistance Program (CFAP 2). First, it allows producers to amend their CFAP 2 applications to include crop insurance payments in their total sales data. Second, it gives CFAP 2 recipients the choice of reporting sales data from 2018 instead of 2019.

This was included to assist growers who experienced severe losses in 2019. However, the option is open to all CFAP 2 recipients. If reporting 2018 data yields a larger payment than 2019, you may resubmit. We will provide additional information on this resubmittal process once it becomes available. Please note: the legislation does not create a CFAP 3 program nor does it change the current rule that sales data must be based on "raw" - not packed or finished - commodities.

The legislation directs the Secretary of Agriculture to use a minimum of \$1.5 billion for the purchase of food and agricultural products (specifically including produce) and to assist in protecting workers from the Coronavirus. It also provides a 15 percent increase in Supplemental Nutrition Assistance Program (SNAP) benefits for the next six months and \$75 million for the Gus Schumacher Nutrition Incentive Program (GusNIP), which incentivizes fruit and vegetable purchases by SNAP recipients. The legislation also provides an additional \$100 million for specialty crop block grants administered by the State Departments of Agriculture. An additional \$635 million through the end of FY 2022 was allocated to APHIS to cover the funding shortfall in the Agriculture Quarantine Inspection (AQI) program caused by the global COVID pandemic. Further, \$15 million was allocated for the Value-Added Producer Grants Program. This will be added to the \$19 million already available.

Outside of the agriculture title, the relief bill provides additional aid to business, including renewed funding for the Payroll Protection Program (PPP).

Finally, Congress passed a budget for the remainder of fiscal year 2021, averting the threat of government shutdown, and the Centers for Disease Prevention & Control (CDC) recommended that agricultural workers be given priority access to vaccinations along with other frontline workers under Category 1B. Please do not hesitate to reach out if you have any questions regarding this new relief bill.

ESSENTIAL AGRICULTURAL WORKERS NEXT IN LINE FOR COVID-19 VACCINES IN CALIFORNIA

Teachers, agricultural workers, first responders, and grocery and restaurant workers were among those recommended last week to receive the next round of scarce vaccines in California, as were florists and sawmill operators who fall into the same broad category of those deemed essential workers.

The next round of about 8 million doses are expected early next year, and have been allocated on three broad sectors in no particular order:

- 1.4 million education and child care providers, a category that includes preschools, K-12, and higher education including trade schools.
- 1.1 million emergency services providers, including not only police and firefighters but those who provide child and youth services, shelters, social services for the elderly and those with disabilities, the criminal justice system, and businesses that provide goods used by the safety workers.
- ***3.4 million food and agriculture workers, from farm to table including those working in food and drinking establishments as well as farmworkers and grocers, bakers and butchers. Plant nurseries, florists and sawmills all fall into that category, as do community food services and pharmacies.***

The nearly 6 million in those sectors make up about half of all those deemed essential workers in California – and that roughly 12 million makes up nearly two-thirds of the state's entire workforce. Many eligible workers will get their vaccines at their work sites or through appointments with providers at which their employment can be verified. As more information regarding vaccine distribution and availability becomes available, we will be sure to provide relevant updates to the industry. If you have any questions in the meantime, please do not hesitate to contact our office.