



Overview of Agriculture and Nutrition Provisions in December 2020 COVID Relief Package

The Agriculture Committee was given a total of \$26 billion to spend on COVID relief for nutrition assistance and agriculture and rural programs. Half of that funding, \$13 billion, was provided to the House Agriculture and the House Education & Labor Committees to provide nutrition assistance. The other \$13 billion went to agricultural assistance and programs. Of that \$13 billion, \$300 million was provided to the Commerce Department to operate a program to assist the fisheries industry.

TITLE I – AGRICULTURAL PROGRAMS

OFFICE OF THE SECRETARY. – \$11.1875 billion is provided to the Office of the Secretary, to remain available until expended, to prevent, prepare for, and respond to coronavirus by providing support to agricultural producers, growers, and processors. From this amount, the Secretary:

- Shall make supplemental Coronavirus Food Assistance Program (CFAP) payments for the 2020 crop year to producers of price trigger crops who meet a defined market trigger;
- Shall make CFAP supplemental payments for the 2020 crop year to producers of flat-rate crops who meet a defined market trigger;
- Shall take crop insurance indemnities, noninsured crop disaster assistance payments, and Wildfire and Hurricanes Indemnity Program Plus payments into consideration when determining the amount of eligible sales and may allow producers to select 2018 or 2019 sales;
- Shall make payments to livestock and poultry growers for losses suffered due to depopulation because of insufficient processing access due to COVID-19 market impacts;
- Shall make supplemental CFAP payments to cattle producers;
- Shall use no more than \$1 billion to make payments to livestock and poultry contract growers who had revenue losses due to contract changes because of COVID-19;
- Shall use no less than \$20 million to improve and maintain animal disease prevention and response capacity;
- Shall make payments to domestic users of upland cotton and extra-long staple cotton;
- Shall make additional payments to supplement the CFAP payment to more closely align with the calculated gross payment or revenue loss;
- May provide support to processors for crop losses due to insufficient processing access;
- May extend the term of a marketing assistance loan;
- Shall use no less than \$1.5 billion to purchase food and agricultural products, including seafood;
- The same fund is also available to make loans and grants to small and midsized food processors or distributors, seafood processing facilities and vessels, farmers markets, and producers to respond to COVID-19, including measures to protect workers;

- Is to conduct a preliminary review of the COVID-19 impacts on and needs of agricultural producers and food processors and actions needed to improve COVID-19 food purchasing;
- May use no more than \$200 million to support timber harvesting and timber hauling businesses impacted by COVID-19;
- May take into account price differentiation factors for each commodity when making payments under this section, such as specialized varieties, local markets, and certified organic;
- May make payments to producers of advanced biofuel, biomass-based diesel, cellulosic biofuel, conventional biofuel, or renewable fuels with market losses due to COVID-19; and,
- May make recourse loans available to dairy product processors, packagers, or merchandisers.

SEC. 101. SPECIALTY CROP BLOCK GRANTS. – The bill provides \$100 million in additional funding to support specialty crop farmers and address COVID-19 specialty crop supply chain issues at the state level via the farm bill’s Specialty Crop Block Grant Program.

SEC. 102. LOCAL AGRICULTURE MARKET PROGRAM. – The bill provides \$100 million in additional funding to support local farmers, farmers markets, and value-added production for farmers and outlets who are impacted by COVID-19 market disruptions through the farm bill’s Local Agriculture Market Program. The Secretary may reduce matching requirements for these additional funds.

SEC. 103. FARMING OPPORTUNITIES TRAINING AND OUTREACH PROGRAM. – The bill provides \$75 million to the farm bill’s Farming Opportunities Training and Outreach Program to support groups providing beginning, socially disadvantaged, and veteran farmers and ranchers with financial and marketing advice and technical assistance in this difficult market, including help in accessing Federal and State assistance programs . The Secretary may reduce matching requirements for these additional funds.

SEC. 104. GUS SCHUMACHER NUTRITION INCENTIVE PROGRAM. – The bill provides \$75 million for the Gus Schumacher Nutrition Incentive Program. The Secretary may reduce matching requirements for these additional funds.

SEC. 105. RESEARCH. – The bill provides \$20 million annually to the Agricultural Research Service to address gaps in nutrition research by studying the connection between agriculture production and human nutrition and health.

TITLE II —SUPPORT FOR DAIRY, LIVESTOCK, AND FARM STRESS

SEC. 200. Definitions.

SEC. 201. SUPPLEMENTAL DAIRY MARGIN COVERAGE PAYMENTS. – The bill provides necessary cash flow assistance to small- and mid-sized dairies that have grown over the last seven years by establishing supplemental margin coverage based on the difference between 2019 actual production and Dairy Margin Coverage production history.

SEC. 202. DAIRY DONATION PROGRAM. – The bill provides \$400 million to pay for milk to be processed into dairy products and donated to non-profit entities (food banks, feeding programs, etc.). Under the framework of the program, the dairy processor and non-profit develop a plan for donation and distribution and USDA reimburses the processor for the associated cost of milk. The bill allows USDA to

adjust the existing Milk Donation Program payments to match the level of payment provided by this new program.

SEC. 203. ESTABLISHMENT OF TRUST FOR BENEFIT OF UNPAID CASH SELLERS OF LIVESTOCK. – The bill establishes a Federal livestock dealer trust to ensure that livestock producers are paid for their animals.

SEC. 204. GRANTS FOR IMPROVEMENTS TO MEAT AND POULTRY FACILITIES TO ALLOW FOR INTERSTATE SHIPMENT. – The bill provides \$60 million to make facility upgrade and planning grants to existing meat and poultry processors to help them move to Federal inspection and be able to sell their products across state lines. The bill also requires USDA to work with States and report on ways to improve the existing Cooperative Interstate Shipment program.

SEC. 205. MEAT AND POULTRY PROCESSING STUDY AND REPORT. – The bill requires a report on the availability of financing for new and existing meat and poultry processing capacity.

SEC. 206. SUPPORT FOR FARM STRESS PROGRAMS. – The bill provides \$28 million to be distributed as block grants to state departments of agriculture for use to support existing farm stress programs.

DIVISION xxx

TITLE I – SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

SEC. 101. DEFINITIONS. – Defines public health emergency and supplemental nutrition assistance program (SNAP).

SEC. 102. SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM – Subsection (a) increases the monthly SNAP benefit level by 15% based on the June 2020 Thrifty Food Plan through June 30, 2021. Subsection (b) simplifies the state administrative process for SNAP benefit level increases. Subsection (c) provides \$100 million for state administrative costs through fiscal year 2021 and requires these funds to be made available to states within 60 days of enactment. Subsection (d) excludes Pandemic Unemployment Compensation from being counted toward household income for SNAP. Subsection (e) extends SNAP eligibility to college students who are eligible for a federal or state work study program or has an expected family contribution of zero. Subsection (f) directs the Secretary to submit a report on the redemption rate and account balances for each month from January 2021 to June 2021. Subsection (g) shortens the statutory waivers for certain SNAP quality control requirements from September 30, 2021 to June 30, 2021.

SEC. 103. ADDITIONAL ASSISTANCE FOR SNAP ONLINE PURCHASING AND TECHNOLOGY IMPROVEMENTS. – Provides \$5 million for technical support to USDA in expanding the SNAP online purchasing program, including for farmers markets and direct marketing farmers, and for supporting mobile payment technologies and the electronic benefit transfer system.

SEC. 104. NUTRITION ASSISTANCE PROGRAMS. – Provides \$614 million to Puerto Rico and American Samoa for nutrition assistance, of which \$14 million shall be available to the Commonwealth of the Northern Mariana Islands.

TITLE II - COMMODITY DISTRIBUTION PROGRAMS

SEC. 201. EMERGENCY FOOD ASSISTANCE PROGRAM. – Invests \$400 million in the Emergency Food Assistance Program through September 30, 2021. Allows up to 20 percent of these funds to be used for commodity distribution.

SEC. 202. COMMODITY SUPPLEMENTAL FOOD PROGRAM. – Provides \$13 million to the Commodity Supplemental Food Program, 20% of which may be used for administrative costs through September 30, 2021.

TITLE III – CHILD NUTRITION AND RELATED PROGRAMS (Prepared by the House Education & Labor Committee)

SEC. 301. ASSISTANCE FOR CHILDREN IN CHILD CARE – Ensures that millions of young children can access needed nutrition benefits by clarifying that states may issue P-EBT benefits to children under the age of 6 who live in households receiving Supplemental Nutrition Assistance Program (SNAP) benefits and residing in an area in which schools or child care facilities are closed or operating with reduced hours or attendance without the need to verify child care enrollment at the individual household level. Additionally, makes P-EBT implementation easier for states and clarifies simplifying assumptions that may be used.

SEC. 302. EMERGENCY COSTS FOR CHILD NUTRITION PROGRAMS DURING COVID-19 PANDEMIC – Provides emergency relief to help school meal and child and adult care food programs, which are in dire need of financial assistance, to continue serving children and families. Provides as much funding as necessary to carry out these payments.

Sec. 303. TASK FORCE ON SUPPLEMENTAL FOODS DELIVERY IN THE SPECIAL SUPPLEMENTAL NUTRITION PROGRAM – Requires the Department of Agriculture to establish a task force on food delivery models in the WIC program so that participants have access to curbside pickup and other safe food purchasing methods during the pandemic.

TITLE IV – OTHER MATTERS

Sec. 401. AGING AND DISABILITY SERVICES PROGRAMS – Provides \$175 million in emergency funding for Older Americans Act nutrition programs, including \$7 million for tribal nutrition programs.

Sec. 402. NUTRITION SERVICES UNDER OLDER AMERICANS ACT – Provides needed flexibility to area agencies on aging and state units on aging to ensure that older adults' nutritional needs can continue to be met safely during the pandemic.