

## COVID-19 relief for farmers, ranchers

Texas A&M publication identifies federal COVID-19 relief most applicable to agricultural producers

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The Agricultural and Food Policy Center at Texas A&M University has identified COVID-19 relief most applicable to farmers and ranchers. (Texas A&M AgriLife photo by Kay Ledbetter)

The [Agricultural and Food Policy Center](#) at Texas A&M University in College Station has developed a [briefing paper](#) that identifies provisions most applicable to agricultural producers in the three recent Congressional interventions to stimulate the economy and provide COVID-19 relief.

“Texas A&M AgriLife is providing information and marshaling its resources to help agricultural producers through this difficult time to ensure consumers have access to healthy food and other essential agricultural products,” said Patrick J. Stover, Ph.D., vice chancellor for [Texas A&M AgriLife](#), dean of the [College of Agriculture and Life Sciences](#) and director of [Texas A&M AgriLife Research](#). “This publication will direct farmers and ranchers to helpful resources for financial relief in order to remain operational until the situation improves.”

To date, Congress has intervened on three separate occasions to provide relief funding related to the COVID-19 pandemic, said Bart Fischer, Ph.D., center co-director and one of the report’s authors. “The latest package — the Coronavirus Aid, Relief and Economic Security Act, also known as the CARES Act — provides \$23.5 billion for the Secretary of Agriculture to assist agricultural producers,” he explained. “There was \$9.5 billion for COVID response and \$14 billion replenishment for the Commodity Credit Corporation, which serves as the traditional funding arm of the U.S. Department of Agriculture (USDA).”

Fischer said USDA is working out the details of how to use this funding and expects a plan will be forthcoming soon.

“The CARES Act provided the \$9.5 billion to prevent, prepare for and respond to coronavirus by supporting U.S. agricultural producers impacted by the pandemic,” said Joe Outlaw, Ph.D., [Texas A&M AgriLife Extension Service](#) agricultural economist and center co-director who co-authored the report. “This funding would apply to producers who supply local food systems, such as farmers markets, restaurant and schools, as well as livestock and dairy producers and those who produce specialty crops.”

The funding was provided independently of the Commodity Credit Corporation, and while the CARES Act provided it with additional funding, it did not increase its borrowing authority.

“While the CARES Act funding applies broadly to agricultural producers, most expect the funding to be used primarily for beef, pork, dairy and specialty crop producers,” Outlaw noted.

The act also provided additional flexibility for marketing loans, extending the maturity date by three months for loan commodities, Fischer said.

Perhaps most notably, the act provided \$349 billion for the Paycheck Protection Program, or PPP, a new lending program of the Small Business Administration program for which farmers and ranchers are eligible.

“Despite some initial confusion, farmers and ranchers are eligible to apply,” Fischer explained. “The loan, both principal and interest, is forgivable as long as certain conditions are met.”

He noted, however, initial PPP funding was quickly exhausted and Congress is now in the process of approving additional funding for the program.

Fischer and Outlaw said the Agricultural and Food Policy Center is currently working on an assessment of damages to Texas agriculture due to the COVID-19 pandemic. In addition, once the USDA announces details of producer support from the CARES Act, the center will draft a follow-up report covering those details. Fischer also noted Wildfires and Hurricanes Indemnity Program Plus, or WHIP+, signup is underway, and USDA is reminding farmers they may be entitled to some relief through that program as well.

Starting March 23, producers who suffered losses from drought or excessive moisture in either or both 2018 or 2019 can apply for WHIP+ assistance at their local Farm Service Agency office. Some area of the county in which their loss occurred must have been rated D3 or higher on the U.S. Drought Monitor during one or both of those calendar years.

More detail on the WHIP+ program can be found in the AgriLife Today story [“Disaster relief authorized for crop producers affected by extreme drought.”](#)

“While WHIP+ is for losses from past crops, it comes at a particularly helpful time as producers are trying to cash flow this year’s crop against a backdrop of terrible prices,” Fischer said.

The Agricultural and Food Policy Center has also produced [COVID-19 Impact on Texas Production Agriculture](#) — a publication on the economic impact the COVID-19 pandemic has had on various agricultural commodities throughout the state.



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A handwritten signature in black ink that reads "Corrie P. Bowen". The signature is written in a cursive, flowing style.

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