



BILLING CODE 3410-05-P

DEPARTMENT OF AGRICULTURE

Office of the Secretary

7 CFR Part 9

[Docket ID: FSA-2020-0004]

RIN 0503-AA65

Coronavirus Food Assistance Program; Correction

AGENCY: Office of the Secretary, USDA.

ACTION: Correcting amendments.

SUMMARY: The Secretary of Agriculture implemented the Coronavirus Food Assistance Program (CFAP), which provides assistance to agricultural producers impacted by the effects of the COVID-19 outbreak, through a final rule published in the *Federal Register* on May 21, 2020. We realized that there were errors in some of the payment rates in that final rule. In addition, we were able to reevaluate the payment rates for certain specialty crops based on data that was available from industry in response to the CFAP notice of funding availability, which was published in the *Federal Register* on May 22, 2020. This document corrects payment rates and categories for those specialty crops that were published in the final rule.

DATES: *Effective Date:* **[Insert date of publication in the *FEDERAL REGISTER*].**

FOR FURTHER INFORMATION CONTACT: William L. Beam; telephone: (202) 720-3175; email: Bill.Beam@usda.gov. Persons with disabilities who require alternative means for communication should contact the USDA Target Center at (202) 720-2600 (voice).

SUPPLEMENTARY INFORMATION:

This document corrects the CFAP regulations in 7 CFR part 9, which were implemented in the final rule that was published in the *Federal Register* on May 21, 2020 (85 FR 30825-30835). This is the second set of corrections. The first set of corrections was published in the *Federal Register* on June 12, 2020 (85 FR 35799-35800). This document augments those corrections.

In response to the notice of funding availability published in the *Federal Register* on May 22, 2020 (85 FR 31062-31065), a few commenters stated that USDA had miscalculated price decreases for certain commodities. USDA reviewed the data for all specialty crop commodities and found some inconsistencies in data points.

Accordingly, USDA is correcting the errors to make apples, blueberries, garlic, potatoes, raspberries, tangerines, and taro eligible for payment under 7 CFR 9.5(b)(1), and adding CARES Act payment rates for sales losses for those crops to Table 1 to § 9.5(h).

USDA found that peaches and rhubarb no longer qualify for payment based on sales losses under § 9.5(b)(1). Peaches showed a 3 percent sales price decrease and rhubarb showed an increase in sales price of 28 percent when corrections to the data sets were made. Therefore, we are removing the CARES Act payment rates for sales losses for these two crops from Table 1 to § 9.5(h).

USDA took into account data submitted by the apple industry to determine price eligibility under § 9.5(b)(1) for apples. The price data sets came from actual sales of 43.8 million bushels of apples that average 42 pounds. This quantity is more than half of all the apples marketed during the study period. The data came from surveys of marketers

from the four largest apple producing states – Washington, New York, Michigan and Pennsylvania. Those four states’ combined production is approximately 94 percent of the U.S. total. The Washington State Tree Fruit Association reflects approximately 85 percent of Washington apple sales. Washington state apple production comprises about two-thirds of the U.S. total, but an even higher share of total U.S. sales during the study period. Data submitted showed an industry average loss of 10.9 percent. Accordingly, USDA is adding apple eligibility for payment losses.

USDA is also adding eligibility for certain potatoes. Original prices used by USDA for the May 12, 2020, rule included all fresh potatoes and did not include prices for processing or seed potatoes as those are not obtained at shipping points or terminal markets. The potato industry submitted price data from industry surveys and reports. The industry data show that seed potatoes had a 15 percent price decline and fresh food retail and service potatoes had a 6.7 percent price decline over the rule stated period. However, the industry reported fresh price only for russet potatoes.

Another potato commenter used data from one potato producing state to determine shipping point price changes for non-organic russet potatoes in 50-lb units. Terminal market prices were also reported. A notable difference between the USDA payment calculations is that prices generated by USDA included prices from all states.

The potato industry also requested payments for seed potatoes. Seed potatoes can be any type of potato and can be diverted to the fresh market if needed. USDA agrees. Accordingly, seed potatoes is now a category of potatoes eligible for payment.

After reviewing all the data submitted by the potato industry USDA agrees that the potato category be corrected to be divided as follows:

- Potatoes fresh - Russets;
- Potatoes fresh – other;
- Potatoes - processing; and
- Potatoes - seed.

Payment rates for these categories are shown on the table below.

As discussed above, USDA is correcting the payment rates in Table 1 to § 9.5(h) for apples, artichokes, asparagus, blueberries, cantaloupes, cucumbers, garlic, kiwifruit, mushrooms, papaya, peaches, potatoes (separated into categories for fresh – Russets, fresh – other, processing, and seed), raspberries, rhubarb, tangerines, and taro.

The correction and addition in the payment rates and the resulting changes in the eligibility for specific types of payments per commodity will not change CFAP costs.

List of Subjects in 7 CFR Part 9

Agricultural commodities, Agriculture, Disaster assistance, Indemnity payments.

Accordingly, 7 CFR part 9 is corrected by making the following correcting amendments:

PART 9 – CORONAVIRUS FOOD ASSISTANCE PROGRAM

1. The authority citation for part 9 continues to read as follows:

Authority: 15 U.S.C. 714b and 714c; and Division B, Title I, Pub. L. 116-136.

2. In § 9.5, amend Table 1 to paragraph (h), as follows:

- a. Revise the entries for “Apples”, “Artichokes”, “Asparagus”, “Blueberries”, “Cantaloupes”, “Cucumbers”, “Garlic”, “Kiwifruit”, “Mushrooms”, “Papaya”, “Peaches”
- b. Remove the entry for “Potatoes”;

c. Add the entries for “Potatoes Fresh – Other”, “Potatoes Fresh- Russets”, Potatoes – Processing”, and “Potatoes – seed” in alphabetical order; and

a. Revise the entries for “Raspberries”, “Rhubarb”, “Tangerines”, and “Taro”.

The revisions and additions read as follows:

§ 9.5 Calculation of payments.

* * * * *

(h) * * *

Table 1 to Paragraph (h)--Payment Rates For Specialty Crops

[Including, but not limited to, the listed commodities]

Commodity	CARES Act Payment Rate for Sales Losses (\$/lb)	CARES Act Payment Rate for Product that left the farm but spoiled or is unpaid due to loss of marketing channel (\$/lb)	CCC Payment Rate (\$/lb)
* * * * *			
Apples	\$0.05	\$0.22	\$0.04
Artichokes	0.88	0.69	0.13
Asparagus.....	--	0.25	0.05
* * * * *			
Blueberries	0.20	0.93	0.18
* * * * *			
Cantaloupes.....	--	0.14	0.03
* * * * *			
Cucumbers	0.18	0.17	0.03
* * * * *			
Garlic	0.17	1.10	0.22
* * * * *			
Kiwifruit.....	--	0.44	0.09
* * * * *			
Mushrooms	--	0.58	0.11
* * * * *			

Commodity	CARES Act Payment Rate for Sales Losses (\$/lb)	CARES Act Payment Rate for Product that left the farm but spoiled or is unpaid due to loss of marketing channel (\$/lb)	CCC Payment Rate (\$/lb)
Papaya.....	--	0.31	0.06
Peaches.....	--	0.30	0.06
* * * * *			
Potatoes fresh – other	0.01	0.04	0.01
Potatoes fresh – Russets	0.07	0.09	0.02
Potatoes – processing	0.02	0.03	0.01
Potatoes – seed	0.02	0.04	0.01
Raspberries.....	0.44	1.69	0.33
Rhubarb.....	--	0.76	0.15
* * * * *			
Tangerines.....	0.05	0.25	0.05
Taro.....	0.12	0.29	0.06
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Stephen L. Censky,
Vice Chairman,
Commodity Credit Corporation, and
Deputy Secretary,
U.S. Department of Agriculture.
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