



## ***Consolidated Appropriations Act, 2021<sup>1</sup>*** **Food Security and Agriculture-Related Provisions**

On December 21, 2020, Congress passed into law the *Consolidated Appropriations Act, 2021*, which, in addition to funding the federal government until the end of Fiscal Year 2021, also included several provisions to address the impacts of the novel coronavirus (COVID-19) pandemic.

The *Consolidated Appropriations Act, 2021*, builds on the successes of the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* in continuing to provide a number of food and agriculture-related benefits to Americans.<sup>2</sup> Specifically, the bill provides \$13 billion in continued funding for agriculture-related assistance programs.

As with previous COVID-19 relief programs, producer assistance received through the U.S. Department of Agriculture (USDA) is considered separate and additional to assistance through the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan (EIDL) program, both of which are administered by the U.S. Small Business Administration.

**Coronavirus Food Assistance Program (CFAP):** The bill provides \$11.1875 billion in funding to USDA for additional producer assistance, as well as to provide more funds for the Farmers-to-Families Food Box Program. This is the third round of funding provided to the agency for this purpose. While the Secretary of Agriculture will set the direct program parameters, USDA used this funding in the past to provide for the Coronavirus Food Assistance Program (CFAP) and CFAP-2. The bill directs USDA to provide support for growers of specialty and non-specialty crops, dairy, livestock, and poultry. In addition to previous COVID relief efforts, the bill provides USDA the authority to provide assistance to the following additional industries directly impacted by the COVID-19 pandemic:

- **Fruit and Vegetable Processors:** The bill authorizes the Secretary to use funding to provide assistance to processors for crop-loss due to insufficient processing access. This relief is in addition to a May 2020 Defense Production Act declaration issued by Agriculture Secretary Perdue to prevent pandemic-related interruptions during the national fruit and vegetable harvest. Secretary Perdue's declaration followed an April 2020 letter sent by Senator Braun to the Secretary noting the importance of protecting the canning harvest in the Hoosier state.
- **Additional Coverage for Livestock, Dairy, and Poultry Producers:** The bill recognizes the unique challenges faced by livestock, dairy and poultry producers and provides USDA the authority to further indemnify those producers from revenue losses.

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<sup>1</sup> On December 21, 2020, the U.S. House of Representatives and the U.S. Senate approved legislation to fund all government departments and agencies for federal fiscal year 2021. This bill is expected to be swiftly signed into law by President Donald Trump (H.R. 133, the legislative vehicle for the *Consolidated Appropriations Act, 2021*).

<sup>2</sup> [H.R.748](#), the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (Public Law No. 116-136) was approved unanimously by the Senate on March 25, 2020, then by the House of Representatives on March 27, 2020, and signed into law by President Trump on March 27, 2020.



- **Timber Harvester and Hauler Relief:** The bill provides \$200 million in relief to timber harvesting and hauling businesses who, as a result of the pandemic, experienced a decline of at least 10% in gross revenue from January 1, through December 1, 2020.
- **Biofuel Producer Relief:** The bill provides funds for USDA to help support producers of advanced and cellulosic biofuel, biomass-based diesel, conventional biofuel, or other renewable fuels who suffered market losses as a result of COVID-19.

**Depopulation Support for Livestock and Poultry Producers:** The *Consolidated Appropriations Act, 2021*, directs the Secretary of Agriculture to provide payments to livestock and poultry producers that suffered losses from depopulation caused by insufficient processing facility access. Specifically, qualifying producers will be compensated for the costs of depopulation, as well as 80 percent of the fair market value of any depopulated livestock and poultry. The legislation also provides at least \$20 million to the Secretary to invest in animal disease prevention and to improve response efforts.

**Grants to Improvements of Meat and Poultry Slaughter Facilities:** To help counteract the negative market effects of meat and poultry processor disruptions, and to build a more robust national processing infrastructure, the bill provides the Secretary the authority to provide grants of up to \$200,000 to meat and poultry processing facilities. To be eligible, a facility must be seeking a federal grant of inspection under the Federal Meat Inspection Act or the Poultry Products Inspection Act or operate as a State-inspected facility compliant with the Federal Meat Inspection Act or the Poultry Products Inspection Act. A facility receiving the funds may use them to make a variety of investments to improve food safety, worker and plant safety, or packaging and labeling compliance, among other things.

**Rollout Timeline:** As with previous COVID relief bills, over the coming weeks, USDA will begin releasing formal eligibility requirements, payment rates, and other key details. Senator Braun's office will be happy to provide you with further information as it becomes available.

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