

## **HELP FOR FARMERS, AGRICULTURE BUSINESSES, AND THEIR EMPLOYEES**

### **Assistance to Agricultural Producers from U.S. Department of Agriculture (USDA)**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides \$9.5 billion to the USDA to support agricultural producers impacted by the coronavirus, including:

- producers of specialty crops,
- producers that supply local food systems, including farmers markets, restaurants, and schools, and
- livestock producers, including dairy producers.

This is a new program, so the USDA has not yet established details such as how to apply or how much funding producers can get from the program. When available, more information will be posted at <https://www.usda.gov/coronavirus>.

### **Assistance to Agricultural Producers from the Small Business Administration (SBA)**

- Farmers, and ranchers that qualify as small businesses under SBA regulations are eligible to apply for the SBA paycheck protection loan program. Factsheets about the SBA's paycheck protection loans and other SBA programs are available on Senator Schatz's [website](#). In addition, the USDA has Frequently Asked Questions for farmers and ranchers on its [website](#).
- In addition, 2020 CARES allows the Farm Credit Agency to authorize lenders familiar to farmers and ranchers to make PPP Loans. For Hawai'i's agricultural producers, that will most likely be American AgCredit. Their [website](#) has further information.

### **Caution**

Companies may not receive payments from both of these USDA and SBA programs for the same COVID-19 impact. Companies should determine which program is better for their needs.

### **Unemployment Insurance**

In addition, farm and ranch employees may be eligible for the expanded Unemployment Insurance coverage created under the CARES Act. More information on expanded Unemployment Insurance is available on Senator Schatz's [website](#).

### **Income Tax: Active Farm Losses**

- The CARES Act also turns off active farming loss rules for tax years beginning after December 31, 2017, and before December 31, 2020.
- An active business loss is defined as deductions in excess of income and gain attributable to a trade or business in which the taxpayer actively participates plus \$250,000 (\$500,000 for joint filers) (*i.e.*, active business losses in excess of \$250,000 (\$500,000 for joint filers) were disallowed by the 2017 Tax Law and treated as NOL carryforwards in the following tax year).
- For more information, please check the IRS's website at <https://www.irs.gov/coronavirus>.

### **Training and Support for Migrant Farmworkers**

The bill includes \$360 million for the Department of Labor to invest in programs that provide training and supportive services for dislocated workers, seniors, migrant farmworkers, and homeless veterans.