

## **Alabama Agricultural Stabilization Program**

Governor Ivey awarded \$26 Million of the Coronavirus Relief Fund provided by the CARES Act to assist Alabama Agriculture for impacts caused by COVID-19. The Alabama Department of Agriculture and Industries in cooperation with numerous agricultural stakeholder groups and Governor Ivey's office developed the Alabama Agricultural Stabilization Program (AASP) to disburse the funds in the following programs:

The first three AASP programs to accept applications were the meat processing program, the catfish processor program, and the fruit & vegetable processor program. The application deadline for these three programs was September 15<sup>th</sup>. In September, ADAI completed the review of these applications and notified the applicants of their status. A summary of each program is provided below:

1. **Meat Processor Program** (AASP, as amended, Allowed \$1,940,000):

The first round of meat processor applications resulted 35 applications and 29 approved applicants. Due to the continued demand for additional meat processing capacity, ADAI opened a second round of meat processing applications. Working with our state partners, we were able to amend the AASP to utilize the \$200,000.00 remaining after our initial meat processor program and transfer \$440,000 in carry-over funds from our Nursery Grower program to meet this additional need. The second round of the meat processor program received approximately 16 applications with 13 of those ultimately participating in the program. The 42 successful applicants will be awarded approximately \$1,875,581.67 from this program. As of December 11, 2020, 41 participants have received payments. This program has an estimated \$64,418.33 in carry-over funds remaining.

2. **Fruit and Vegetable Processor Program** (AASP allowed \$500,000):

5 applicants- 5 approved

Final Total Payout: \$265,116.81

Final Carry-Over : \$234,883.19

3. **Catfish Processor Reimbursement Program** (AASP allowed \$500,000):

2 applicants- 2 approved

Final Total Payout: \$182,041.83

Final Carry-Over: \$317,958.17

The AASP's cattle program, state supplemental CFAP program, nursery grower reimbursement program, and poultry program are in various stages of progress. A summary is outlined below:

**Cattle Program** (AASP allowed \$10.5 million): Application period opened September 8<sup>th</sup> and closed October 9<sup>th</sup>. Since the October report, we have finalized and issued payments on almost all the cattle applications.

We received 373 completed applications with 348 applicants ultimately approved to participate in the program. 10 of these applicants were dairy producers. 23 applications are ineligible because the cattle sales were outside of the date range, the applicants are not residents of Alabama, or because the applicants did not meet some other criteria of the program. 2 applications were withdrawn by the applicants.

Payments to the 348 applicants totaled \$3,609,703.98 with a carry-over of \$6,890,296.02.

**State Supplemental CFAP Program** (AASP Allowed \$8 million): Application period opened on September 15th and closed on October 15<sup>th</sup>. We received a total of 287 applications. 9 applications were declined because they did not meet the program requirements, and 3 applications were withdrawn by the applicants. Of the 275 successful applicants, 271 have been paid and we are in the final phases of issuing payment to the last 4 applicants. Total payments to the 275 successful applicants will total approximately \$6,404,427.87. The anticipated carry-over from this program is \$1,595,572.13 million.

**Nursery Grower Reimbursement** (AASP Allowed \$1 million): Application period opened on September 15th and closed October 15<sup>th</sup>. We received a total of 5 applications, but only 3 were eligible for the program. We have processed payments to the three applicants totaling \$49,986.38.

Working with the Alabama Department of Finance, we were able to reallocate \$440,000.00 from this program to fund a second round of the meat processing program. After this reallocation, there is a carry-over amount of \$510,013.62 remaining in this program.

**Poultry Program** (AASP Allowed \$4 million): Application periods opened October 13<sup>th</sup> and were originally set to close on November 6<sup>th</sup>. Due to extensive power outages and other issues impacting poultry farms as a result of Hurricane Zeta, the application deadline for poultry programs was extended until Friday, November 13<sup>th</sup>.

This program received 702 broiler grower applications, 25 breeder grower applications, and 1 pullet grower applications. We declined 23 broiler and 5 breeder applications. The 1 pullet applicant and 1 broiler applicant withdrew their applications. The declined applications were all declined because the applicants were not residents of Alabama, the applicants did not have qualifying density reductions or extended downtimes, or the applicants received more compensation from their integrator than the AASP program would have paid them. 698 applicants were accepted in the poultry programs.

We are in the final phases of issuing payments to the accepted applicants. The estimated total payout for this program is \$3.6 million with an estimated carry-over of \$400,000.00. As of 12-11-2020, \$3,276,934.88 has been awarded to poultry farmers.

#### **Additional Programs:**

Utilizing remaining funds in the AASP, ADAI and our state partners were able to offer two additional programs in late November. The first was the Livestock Auction Market Business Stabilization Program to assist the stockyards in Alabama, and the second additional program was the Poultry Processor Reimbursement Program. Details on these programs are below:

#### **Livestock Auction Market Business Stabilization Program** (AASP allowed \$500,000).

36 applicants- 21 approved. The declined applicants are not licensed livestock auction markets in Alabama.

Final Total Payout: \$500,000.00

Final Carry-Over: \$0.00

#### **Poultry Processor Reimbursement Program** (AASP allowed \$1.2 million)

40 applicants- 29 approved. The declined applicants are not poultry processing facilities in Alabama.

Final Total Payout: \$1,119,146.34

Final Carry-Over: \$ 80,853.66

#### **Total AASP Awards and Carry-over:**

As of December 11, 2020, we anticipate a total expenditure of \$17,606,004.88 spent and \$8,393,995.12 carry-over.