



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

USDA Provides Additional Pandemic Assistance to Hog Producers

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The U.S. Department of Agriculture (USDA) announced a new program to assist hog producers who sold hogs through a negotiated sale during the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic. The Spot Market Hog Pandemic Program (SMHPP) is part of USDA's [Pandemic Assistance for Producers](#) initiative and addresses gaps in previous assistance for hog producers. USDA's Farm Service Agency (FSA) will accept applications through Feb. 25, 2022.

SMHPP provides assistance to hog producers who sold hogs through a negotiated sale from April 16, 2020 through Sept. 1, 2020. Negotiated sale, or negotiated formula sale, means a sale of hogs by a producer to a packer under which the base price for the hogs is determined by seller-buyer interaction and agreement on a delivery day. USDA is offering SMHPP as packer production was reduced due to the COVID-19 pandemic due to employee illness and supply chain issues, resulting in fewer negotiated hogs being procured and subsequent lower market prices.

"Previous pandemic assistance used flat rates across the hog industry, and this didn't take into account the various levels of harm felt by different producers," said FSA Administrator Zach Ducheneaux. "We worked closely with industry partners and USDA's Agricultural Marketing Service to target assistance to hog producers who were hit the hardest during the pandemic. This is one more example of our efforts to provide new, broader, and more equitable opportunities for farmers, ranchers and producers."

The Department has set aside up to \$50 million in pandemic assistance funds through the Coronavirus Aid, Relief and Economic Security (CARES) Act for SMHPP.

SMHPP Program Details?

Eligible hogs include hogs sold through a negotiated sale by producers between April 16, 2020, and Sept. 1, 2020. To be eligible, the producer must be a person or legal entity who has ownership in the hogs and whose production facilities are located in the United States, including U.S.

territories. Contract producers, federal, state and local governments, including public schools and packers are not eligible for SMHPP.?

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of \$54 per head. FSA will issue payments to eligible hog producers as applications are received and approved.

Applying for Assistance?

Eligible hog producers can apply for SMHPP starting Dec. 15, 2021, by completing the FSA-940, Spot Market Hog Pandemic Program application. Additional documentation may be required. Visit? farmers.gov/smhpp?for a copy of the Notice of Funds Availability, information on applicant eligibility and more information on how to apply.?

Applications can be submitted to the FSA office at any USDA Service Center nationwide by mail, fax, hand delivery or via electronic means. To find your local FSA office, visit? farmers.gov/service-locator . Hog producers can also call 877-508-8364 to speak directly with a USDA employee ready to offer assistance.?

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit? www.usda.gov.?

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