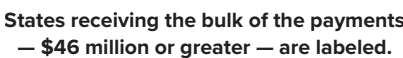


The USDA is preparing a \$4.7 billion aid program to provide payments to farmers hurt by retaliatory tariffs this year. The market facilitation program is one of three programs announced in August as part of an up to \$12 billion aid package that the Trump administration first announced in July.

Trading partners have targeted U.S. ag products — including soybeans, sorghum and wheat — in response to new U.S. tariffs on steel and aluminum and, in China's case, following U.S. tariffs on other goods. The two other USDA aid programs include a \$1.2 billion food purchase program that will buy up commodities like pork, fruit and dairy and a \$200 million trade promotion program to develop new markets for U.S. agricultural exports. The three programs are initially set to deliver about \$6.3 billion in aid.

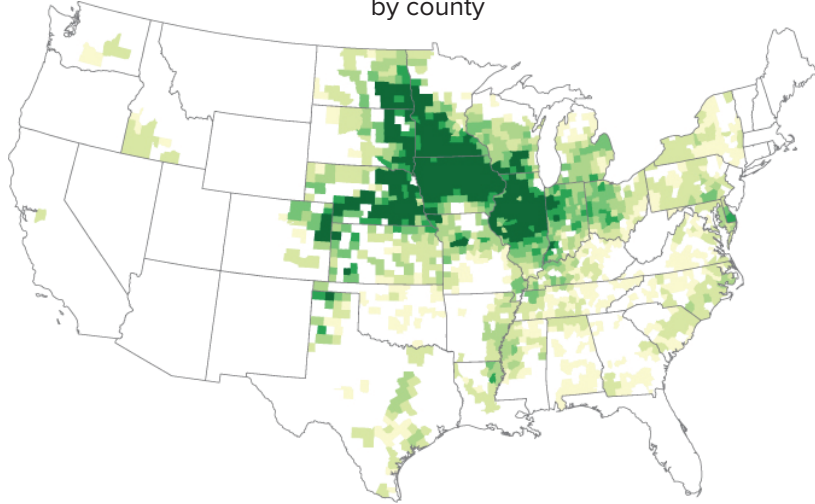
The market facilitation program will provide payments to farmers based on the “severity of trade disruption” and “period of adjustment to new trade patterns,” both of which will be determined by the affected farmer’s production. The program is open from Sept. 4 through Jan. 15, 2019 for farmers that grow the particular crop, are “actively engaged” in farming and whose average adjusted gross income from 2014 to 2016 is less than \$900,000. Farmers who qualify for the program will receive a payment based on half of their 2018 production and the rate for each crop.



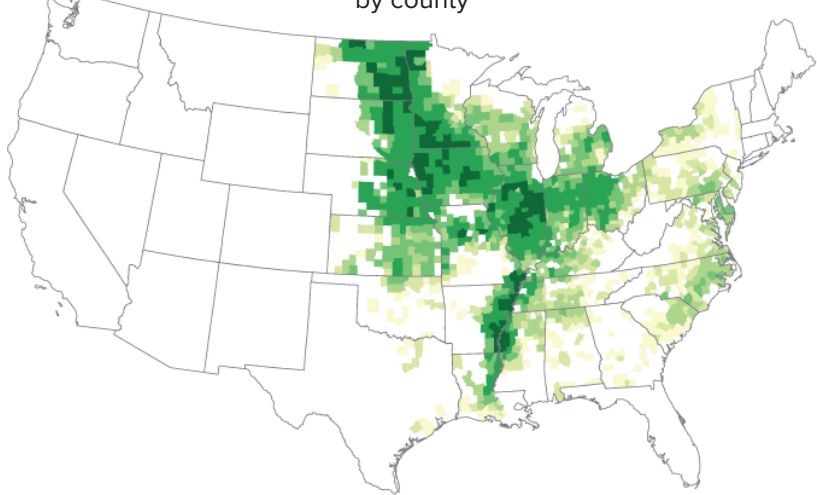
An initial program estimate from the Farm Bureau showed that Illinois, Iowa, Minnesota, Indiana and Nebraska are expected to receive 45 percent of the first round of program payments. This is partly because of the amount of soybean and hogs that each of these states produce.

Midwestern states lead production for most products covered by the market facilitation program. While there are exceptions — cotton is grown across the south and wheat is grown more broadly across the country — production for most of these crops is densely concentrated across a few states.

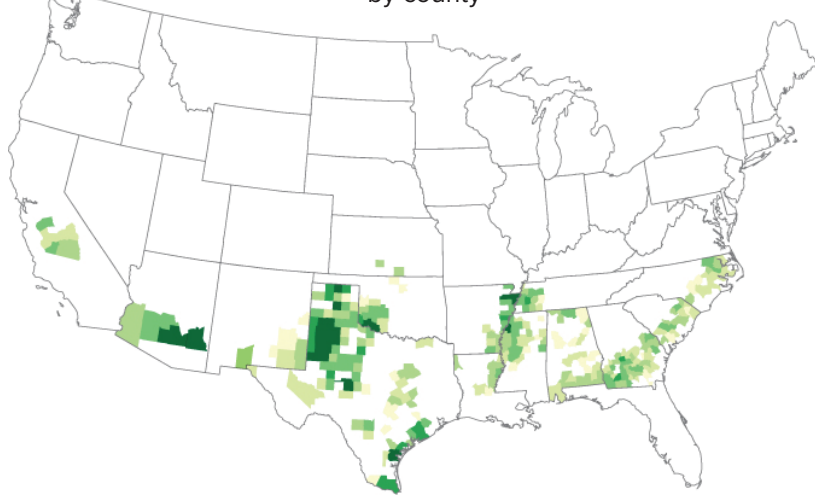
Corn for grain production in 2017 by county



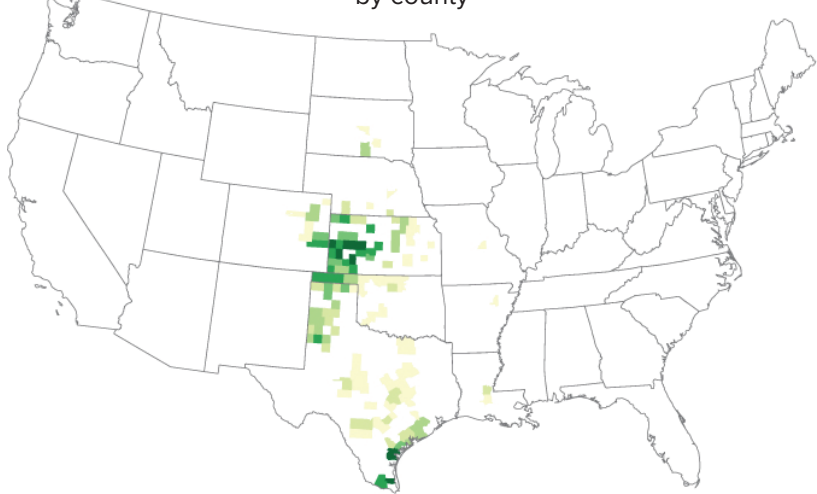
Soybean production in 2017
by county



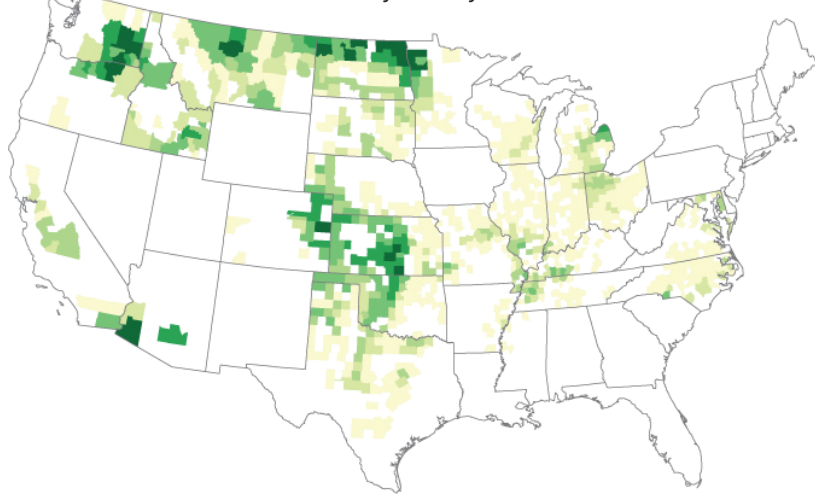
Upland and Pima cotton production in 2017 by county



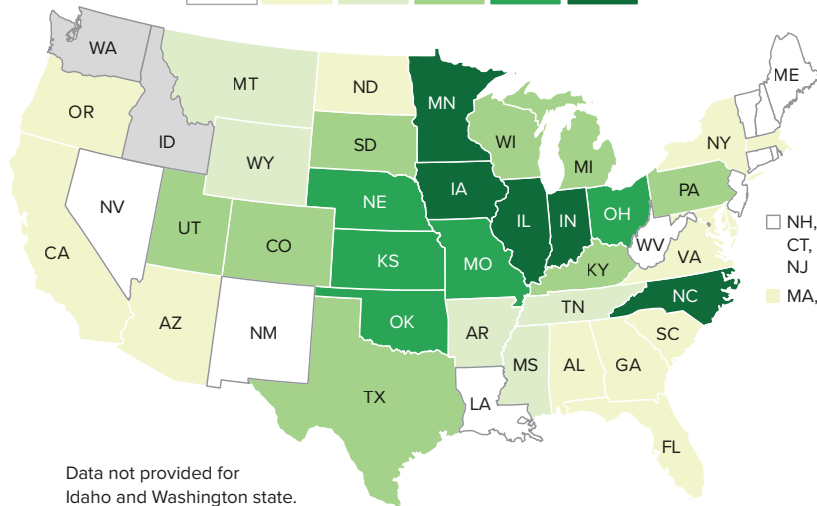
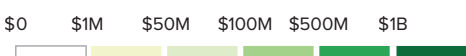
Sorghum production in 2017 by county



All wheat production in 2017 by county

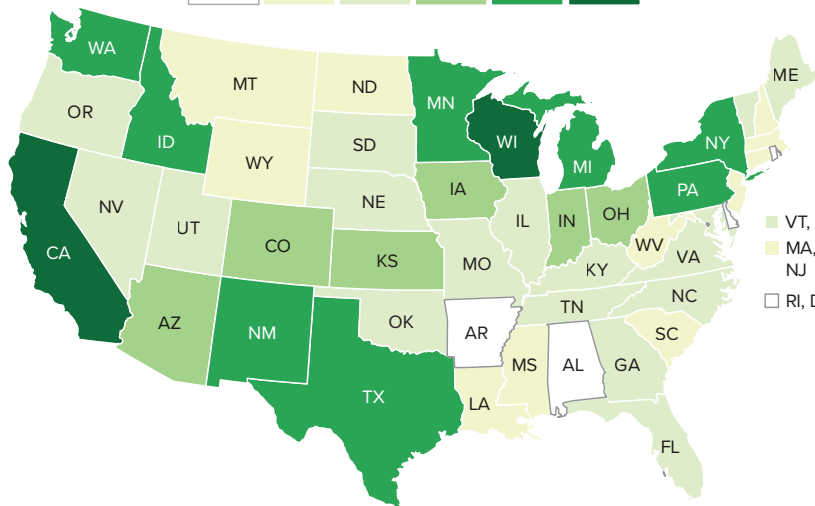
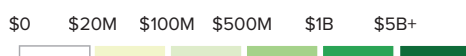


Hog production, 2017



Data not provided for
Idaho and Washington state.

Milk production, 2017



Sources: USDA; U.S. Farm Bureau; hog production: NASS surveys via USDA QuickStats platform; milk production: USDA Milk Production, Disposition and Income 2017 Summary

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