
JB PRITZKER, GOVERNOR • JERRY COSTELLO II, ACTING DIRECTOR

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Pritzker Administration Announces \$5 Million Business Grant Program for Agriculture Businesses

Application for funding now available to livestock producers and small meat and poultry plants as a part of the state's Business Interruption Grants (BIG) Program

SPRINGFIELD, IL – The Illinois Department of Agriculture (IDOA) today announced the availability of \$5 million in business recovery funding for livestock producers and small meat and poultry plants suffering interruptions as a result of the ongoing COVID-19 pandemic. Over the past six months meat and poultry plants across the country have been impacted by the pandemic, as reduced sales resulted in a slowdown of processing livestock and forced many Illinois farmers to incur additional costs.

“Illinois remains a leading agricultural state in the nation, and I’m proud to help farmers build on that success by providing needed grants to help offset the impact of the COVID-19 pandemic,” said Governor JB Pritzker. “On behalf of all Illinoisans, I want to offer my appreciation to the members of our agricultural community whose hard work has ensured food was available amidst the worst pandemic of our lifetimes.”

The new funding opportunity is part of the state's Business Interruption Grants program (BIG), which leverages federal CARES Act money to help small businesses statewide offset losses incurred in connection to COVID-19. Online applications are available now through October 31, 2020 at <https://apps.agr.illinois.gov/AGR-CARES/>.

“Since the beginning of the pandemic, our Department has worked closely with the agriculture industry to understand and respond to the challenges they currently face,” said Acting Director of IDOA, Jerry Costello II. “I’m proud of the way Illinois’ farmers, small businesses and commodity groups came together to keep the food chain secure. These dollars enable farmers’ continuity of operations while providing our small meat and poultry plants the ability to make necessary improvements to expand animal throughput and capacity.”

Financial assistance will be made available through three programs administered by IDOA:

- **Swine Depopulation Program:** Covers the costs and expenses of swine producers associated with the depopulation and disposal of livestock due to the disruption of the livestock market caused by the COVID-19 emergency on or after April 15, 2020. Applicants are eligible to receive up to \$10,000 for losses.
- **Agriculture Business Interruption Program:** Covers monetary losses and expenses of livestock producers due to the disruption of the livestock market caused by the COVID-19 emergency during the period of April 15-May 15, 2020. Eligible expenses are costs associated with holding livestock (swine, beef cattle, dairy cattle, lambs, poultry and meat goats) and livestock-related products for an extended period of time. Applicants are eligible to receive up to \$10,000 for losses.
- **Meat and Poultry Capacity Program:** Covers costs for operations and costs associated with facility improvements necessary to decrease or eliminate COVID-19 related slowdowns and mitigate capacity reductions. Businesses must have no more than 60 employees. Applicants are eligible to receive up to \$25,000 for eligible expenses.

IDOA has worked with the Illinois Department of Commerce and Economic Opportunity (DCEO) to mobilize this opportunity for financial assistance provided through the BIG program. The administration has developed guidelines that ensure an equitable deployment of grant funding across hard hit communities and heavily impacted industries. To date, more than \$49 million in BIG funding has been distributed to over 2,800 small businesses, in over 400 communities statewide, and ongoing funding opportunities remain available for small businesses of all types statewide. To learn more about current BIG funding opportunities, please visit DCEO's website.

“The agriculture industry is essential to the health and vitality of our Illinois economy, which is why our administration has worked closely with the agriculture industry to connect our hardworking farmers with emergency

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relief to offset their losses,” said DCEO Director, Erin B. Guthrie. “Yet we know for many farmers – more help is needed. New dedicated BIG funds will help cover COVID-19 costs, preserve jobs, and in turn help to rebuild our Illinois economy.”

“Illinois’ proud agricultural tradition is built on the hard work and dedication of our farmers,” said Senator Andy Manar. “They work every day to provide for people across the state and it’s our obligation to return the favor in any way possible. That’s why we made this a priority in the state budget.”

“Farmers have continued to put food on store shelves and on families’ tables during these tough times,” Senate Agriculture Chair Scott Bennett said. “I’m confident these funds will help benefit producers, consumers and rural communities that have been impacted by COVID-19 disruptions.”

“The economic wellbeing of our state depends so heavily of the success of our farmers,” Senator David Koehler said. “It’s our job to ensure our farmers have the financial resources they need to continue putting food on the table of all Illinoisans.”

“Farms throughout Illinois are a vital link in the chain between the statewide, national and global economies,” said Representative Nathan Reitz. “While businesses across our state are suffering, farms have been hit especially hard during the ongoing pandemic. I encourage farmers in need of assistance to consider applying for grants that are available, which can serve as a lifeline during these difficult times.”

An additional 10% will be awarded to businesses located in disproportionately impacted areas (DIAs), defined in legislation and created by the Pritzker administration and the Illinois General Assembly to ensure equitable funding opportunities.

For more information on BIG, please visit agr.state.il.us. Questions can be submitted to AGR.Grants@illinois.gov.

Helpful Information from IAMP for Applying for the Meat & Poultry Capacity Program

- The IDOA has created an informational video to assist with completing the grant: <https://on.ilfb.org/3d5Fppg>.
- The Meat & Poultry Capacity Program is allotted \$500,000 of the total 5 million for the three IDOA programs. You may not receive all \$25,000 that you apply.

Additional helpful Information/Questions submitted by Mark Hartrich and the answers received from IDOA.

- What type of expenditures are covered?
 - a. Equipment such as saw, grinder, slicer, stuffer, or any other processing machine?
As long as these purchases increase animal throughput, processing capacity, the amount or type of products produced, or processing speed and/or are necessary for compliance with the federal hazard ana
 - b. Building remodeling or expansion
As long as the remodeling or expansion increases animal throughput and/or provides increased safety measures to reduce the spread of disease among employees.
 - c. ~~Wages~~
 - d. ~~Utilities~~
 - e. Other expenses (see below per administrative rule)

Financial Assistance received under MPCP may be used for:

- 1) *Costs related to expansion or improvement of an existing facility;*
- 2) *Fixtures or equipment necessary to expand animal throughput, processing capacity, the amount or type of products produced, or processing speed;*
- 3) *Engineering controls/barriers to reduce disease spread, including, but not limited to, plexiglass barriers/partitions, expansion of work spaces and break rooms/cafeterias, and ventilation improvements to improve airflow;*
- 4) *Development of administrative controls (policies, procedures, training and workplace practices) to reduce disease spread, including, but not limited to, development of masking, screening and disinfection policies, standard operating procedures, and additional training. This may also include the resources necessary to execute these policies and procedures, including, but not limited to, facial coverings, facial*

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shields, thermometers, hand washing stations and supplies, hand sanitizers and dispensers, environmental disinfection supplies, multilingual signage, videos and/or infographics on COVID-19 related information, and policies and procedures; and

5) Equipment necessary for compliance with the federal hazard analysis and critical control point (HACCP) plan.

Financial assistance received under MPCP cannot be used for:

1) Wages or salaries

4) Purchase of a building/facility; or

2) Travel costs

5) Land acquisition or associated fees.

3) Any part of a project that has already been reimbursed by another federal or State grant program;

- *Period for reimbursement, March 1 through December 30, 2020*
- *If you are planning to remodel or buy equipment but it is not done or received or invoiced by Dec. 30, is it still eligible? Per administrative rule, expenses for approved projects must be accrued and all required documentation for reimbursement must be received by DOA by the date indicated on the application (December 31, 2020).*
- *What kind of paperwork is required?*
Specific to the Meat & Poultry Capacity Program:
 - 1) a completed application*
 - 2) IRS Form W-9*
 - 3) IL Secretary of State business registration*
 - 4) Certification from the applicant verifying eligible expenses and attesting that no part of the project has been reimbursed by another Federal or State program*
 - 5) A final expenditure report will be required for all applicants who are approved for financial assistance*
- *When is the grant money issued?*
 - a. At the time of application?*
 - b. After application is approved?*
 - c. When project is completed or equipment received?*

Applicants who meet program eligibility will receive a pre-approval letter indicating the amount of financial assistance awarded. Financial assistance (in the form of a check) will not be provided until a final expenditure report, including proof of accrued expenses are received. Final expenditure reports must be submitted to IDOA by December 31, 2020. All receipts will need to be provided to IDOA for reimbursement.

- *Will grant be taxed as income?*
YES, CARES dollars awarded through the Livestock Management Facilities Program are taxable income.
- *Maximum amount of loan is \$25,000?*
 - 1) An applicant, including any parent company, affiliate, and subsidiary, is eligible to receive up to \$25,000.*
 - 2) Eligible payments will be made after the applicant provides DOA with documentation demonstrating that expenses for eligible projects have been accrued.*
 - 3) If an applicant is located in a disproportionately impacted area, the amount of financial assistance will be increased by 10%.*
- *If you apply and meet all guidelines are you guaranteed approval? (Example – If you start project counting on grant to help fund and you are denied grant, then you may not be able to finish project.*
Applicants who meet program eligibility will receive a pre-approval letter indicating the amount of financial assistance awarded. Financial assistance (in the form of a check) will not be provided until a final expenditure report, including proof of accrued expenses are received. Final expenditure reports must be submitted to IDOA by December 31, 2020. All receipts will need to be provided to IDOA for reimbursement.
Note: If total application requests exceed amount allocated to the meat and poultry capacity program, beneficiaries will receive a pro-rated amount. This amount will be provided in the pre-award letter.