Market Facilitation Program
Available to Assist Producers Due to Trade Disputes

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) established the Market Facilitation Program (MFP) under Section 5 of the Commodity Credit Corporation (CCC) Charter Act. This section authorizes CCC to assist in the disposition of surplus commodities and to increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic markets or by developing or aiding in the development of new and additional markets, marketing facilities, and uses for such commodities. MFP provides direct payments to producers of specific products impacted by foreign tariffs. These products include:

- Corn
- Cotton
- Sorghum
- Soybean
- Wheat
- Dairy
- Hogs

This assists in the expansion of domestic markets or the development of new and additional markets and uses.

Applying and receiving MFP is a simple process. First, the producer must apply using the link below or by visiting their local FSA office. Then, three factors are assessed to determine their eligibility. They must have accurate and approved documentation of production levels to create a baseline for payment. Payments are determined based on the production level and monetary support is provided to protect farmers’ incomes.

Producers may apply for MFP from 09/04/2018 - 01/15/2019 at www.farmers.gov/MFP.

Eligibility
Producers eligible for the program must have an interest in the commodity and be actively farming. They must also comply with “Highly Erodible Land and Wetland Conservation” regulations, also known as conservation compliance provisions. The producer’s average adjusted gross income may not exceed $900,000 for 2014, 2015 and 2016.
Crops
A producer may be asked by the CCC to provide documentation that verifies the amount of production. This documentation must be reliable and approved as such. Some possible documentation includes:

- Receipt copies
- Ledgers of income
- Income statements of deposit slips
- Register tapes
- Invoices for custom harvesting
- Records to verify production costs, contemporaneous measurements, track scale tickets
- Contemporaneous diaries (accepted by FSA county committee)

Producers must have a crop acreage report on file with FSA for MFP crop commodities.

Each corn, upland cotton, sorghum, soybean and wheat producer is required to be a person or legal entity who is actively engaged in farming in 2018.

Dairy and Hog Production
Dairy production payment is based on the historical production reported for the Margin Protection Program for Dairy (MPP-Dairy). This MPP-Dairy program is an FSA risk management program for dairy producers. MFP uses the same baseline method as MPP-Dairy to ensure accurate production levels. For existing dairy operations, the production history is established using the highest annual milk production marketed during the full calendar years of 2011, 2012, and 2013. Dairy operations must have operated on June 1, 2018 to be eligible.

A baseline must be established for hogs as well. It is based on the total number of heads of live hogs on August 1, 2018. To verify this number and receive payment, production records for hogs may include:

- Breeding records
- Inventory records
- Sales receipts
- Rendering receipts
- Veterinary records

Other forms of proof may be accepted, but must be approved.


Payments
There are two potential payment periods. The first starts September 4, 2018, and is issued on the first 50 percent of the producer’s total production of a commodity. The MFP payment is determined as follows:

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\text{Market Facilitation Program Rate} \times 50\% \text{ of Total 2018 Actual Production} = \text{Payment}
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The initial MFP rates are as follows:

- Cotton $0.06 per pound
- Corn $0.01 per bushel
- Sorghum $0.86 per bushel
- Soybeans $1.65 per bushel
- Wheat $0.14 per bushel
- Dairy $0.12 per cwt.
- Hogs $8.00 per head (number of heads as of 08/01/2018)

For example, if Tyler produced 30,000 bushels of soybeans and 34,400 bushels of corn. Tyler’s soybean MFP payment would be calculated as $1.65/bu \times 50\% \text{ of} 30,000 \text{ bushels} \text{ or} $24,750. For corn, the MFP payment would be $0.01/bu \times 50\% \text{ of} 34,400 \text{ bushels}, \text{ or a payment of} $172. Tyler’s total payment would be $24,922. This payment will only be made once Tyler harvests 100 percent of his corn and soybean crops and certifies the amount the production with FSA.

If the second payment is applicable to the producer, it will be applied to the remaining 50 percent of their production. CCC will announce the second payment rates on or about December 3, 2018. This second payment, if available, may use a different MFP rate. This fact sheet will be updated to reflect any new MFP rates.

An MFP payment, based on either the initial or second payment rate, will be made after a producer harvests 100 percent of the crop and certifies the amount of production.

Limitations
MFP payments are capped per person or legal entity as follows:

- A combined $125,000 for eligible crop commodities
- A combined $125,000 for dairy production and hogs

MFP payments do not count against other 2014 Farm Bill payment limitations.
Where to File
The CCC-910 Market Facilitation Program application form should be completed after 100 percent of the product is harvested. It will require production evidence for each commodity and a signature by the farmer or legal entity.

The application form opens September 4, 2018, and closes January 15, 2019. It can be found at www.farmers.gov/MFP. It can be completed in person at a local FSA office, submitted electronically through faxing, scanning or emailing, or mailed to your local FSA office.

More Information
For more information, visit www.farmers.gov/MFP or contact your local FSA office. To find your local FSA office, visit www.farmers.gov.