

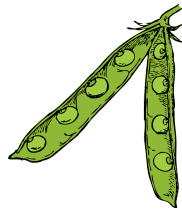
2019 Market Facilitation Program Available to Assist Producers Trade Disputes

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The U.S. Department of Agriculture (*USDA*) Farm Service Agency (*FSA*) established the Market Facilitation Program (*MFP*) under the Commodity Credit Corporation (*CCC*) Charter Act. The CCC was created to support and protect farmers' incomes, as MFP does. MFP provides direct payments to producers of specific products impacted by foreign retaliatory tariffs. These products include:

- Corn
- Cotton
- Wheat
- Sorghum
- Barley
- Dairy
- Hogs
- Beans



MFP assists in expanding domestic markets or developing new and additional markets and uses.

Applying and receiving MFP is a simple process. First, the producer can apply using the link below or can walk into their local FSA office to apply. Then, three factors, as shown in the next section, are assessed to determine their eligibility. A producer must have accurate and approved documentation of production levels to create a baseline for payment. Fees are determined based on a single county rate and monetary support is provided to protect farmers' incomes.

MFP application period: 07/29/2019 - 12/06/2019

Apply at www.farmers.gov/MFP

Eligibility

Producers eligible for MFP 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. Lastly, the producer's average adjusted gross income may not exceed \$900,000 for 2015, 2016, and 2017.

Crops

MFP for non-specialty crops is based on a single county payment rate multiplied by the farm's total plantings of eligible crops in 2019. County payment rates range from \$15 to \$150 per acre, depending on the county. Producers must have a crop acreage report on file with the FSA for MFP crop commodities. The acreage of non-specialty crops and cover crops must be planted by August 1, 2019, to be eligible for MFP payments.

Non-Specialty crops include:

- Alfalfa Hay
- Corn
- Oats
- Sorghum
- Barley
- Soybeans
- Sunflower Seeds
- Wheat

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, like the MFP program, is an FSA risk management program for 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, 2019, to be eligible.

Hog production payments are based on the total number of live hogs owned by the producer between April 1, 2019 - May 15, 2019. 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

MFP payments are separated into three tranches (parts). The first tranche begins in mid-to-late August. This payment is composed of the first 50% of a producer’s payment. MFP payments will be made in up-to three tranches, with the second and third tranches evaluated as market conditions and trade opportunities dictate. If conditions warrant, the second and third tranches will be made in November and early January, respectively. 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 planting. Acres not planted in 2019 are not eligible for an MFP payment.

The MFP payment is determined as follows:

$$\text{Market Facilitation Program Rate} \times 50\% \text{ of Total 2019 Planting} \\ = \text{1st Tranche Payment}$$

The MFP rates include:

- Ginseng: \$2.85 per pound
- Cover Crop: \$15.00 rate per acre
- Grapes: \$0.03 per pound
- Non-specialty Crops: single county rate per-acre (shown in the table below)
- Dairy: \$0.20 per hundredweight
- Hogs: \$11.00 per head (as of 04/01/2019)
- Cranberries: \$0.03 per pound
- Nuts: \$146.00 per acre

2019 County Payment Rate Per Acre

| | |
|---------------------|--------------------|
| <i>Allegany</i> | <u>\$37</u> |
| <i>Anne Arundel</i> | <u>\$49</u> |
| <i>Baltimore</i> | <u>\$48</u> |
| <i>Calvert</i> | <u>\$35</u> |
| <i>Caroline</i> | <u>\$51</u> |
| <i>Carroll</i> | <u>\$51</u> |
| <i>Cecil</i> | <u>\$56</u> |

| | |
|------------------------|--------------------|
| <i>Charles</i> | <u>\$49</u> |
| <i>Dorchester</i> | <u>\$65</u> |
| <i>Frederick</i> | <u>\$48</u> |
| <i>Garrett</i> | <u>\$38</u> |
| <i>Harford</i> | <u>\$52</u> |
| <i>Howard</i> | <u>\$50</u> |
| <i>Kent</i> | <u>\$59</u> |
| <i>Montgomery</i> | <u>\$56</u> |
| <i>Prince George's</i> | <u>\$40</u> |
| <i>Queen Anne's</i> | <u>\$56</u> |
| <i>Somerset</i> | <u>\$55</u> |
| <i>St. Mary's</i> | <u>\$49</u> |
| <i>Talbot</i> | <u>\$58</u> |
| <i>Washington</i> | <u>\$46</u> |
| <i>Wicomico</i> | <u>\$45</u> |
| <i>Worcester</i> | <u>\$53</u> |

Tranche Payment Example:

If Alex produced 150 acres of soybeans and 200 acres of corn, which are non-specialty crops, the payment will be calculated by multiplying the county rate per acre and 50% of the total planting. If Alex lived in Queen Anne's County, the MFP payment for 150 acres of soybeans and 200 acres of corn would be calculated as: $\$56 * (150+200) * 50\%$. Alex's total payment would be \$9,800.

Limitations

MFP payments are limited per person/legal entity to:

- A combined \$250,000 for non-specialty crops producers
- A combined \$250,000 for dairy and hog producers



- A combined \$250,000 for specialty crop producers

No applicant may receive more than \$500,000.

Where to File

The CCC-910 Market Facilitation Program application form opens Monday, July 29, 2019, and closes Friday, December 6, 2019. All applications may be found on www.farmers.gov/MFP , and completed in person at a local FSA office, submitted electronically through faxing, scanning, or emailing, or mailed to your local FSA office.

Additional Resources

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