

California Walnut Commission

101 Parkshore Drive, Suite 250

Folsom, CA 95630-4726

(916) 932-7070

An Equal Opportunity Employer and Provider



TO: **Handlers**
FROM: Michelle Connelly
DATE: July 25, 2019
RE: **USDA Support for growers**
CC: CWB/CWC Board Members & Alternates, WBA, ETC, Staff

Dear Handlers,

Today, USDA Agriculture Secretary Sonny Perdue announced funding for walnut growers impacted by unjustified tariff retaliation and trade disruption.

The funds are being made available through the **Market Facilitation Program (MFP)**, authorized under the Commodity Credit Corporation (CCC) Charter Act and administered by the Farm Service Agency (FSA). The funding is part of the trade relief package, announced by the United States Department of Agriculture (USDA) in May, which includes \$14.5 billion in direct payments to producers and well as \$100MM in Agriculture Trade Promotion funds for export market development. To date, the CWC has received \$3.6 MM in ATP funds for additional export activities to offset losses result from trade disruption

California walnut growers will receive payment based on 2019 planned acres of production. 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. **The first tranche will be comprised of the higher of either 50 percent of a producer's USDA calculated payment rate or \$15 per acre**, which may reduce potential payments to be made in tranches two or three. USDA will begin making **first tranche payments in mid-to-late August**. **Per-acre specialty crop payment rates, and livestock payment rates are all currently available on farmers.gov/mfp.**

MFP payments are limited to a combined \$250,000 for non-specialty crops per person or legal entity. MFP payments are also limited to a combined \$250,000 for dairy and hog producers and a combined \$250,000 for specialty crop producers. However, no applicant can receive more than \$500,000. **Eligible applicants must also have an average adjusted gross income (AGI) for tax years 2014, 2015, and 2016 of less than \$900,000 or, 75 percent of the person's or legal entity's average AGI for tax years 2014, 2015, and 2016 must have been derived from farming and ranching. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.**

The MFP rule and a related Notice of Funding Availability will be published in the Federal Register on July 29, 2019, when sign-up begins at local USDA FSA offices.

Growers will need visit their local USDA Farm Service Agency to resister for the program, available Monday, July 29th – Friday, December 6th

The CWC is communicating this information via several means including press release to agriculture/local press, through a special newsletter/e-newsletter, to stakeholder groups (i.e. WBA/Export Trading Company/County Ag Commissioners, etc.) however; we ask for your assistance in communicating this to your growers. Thank you.

Please contact Pam or me with any questions.

Sincerely,

A handwritten signature in blue ink that reads "Michelle M. Connelly". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Michelle McNeil Connelly