

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice SP-50

For: State and County Offices

Trade Adjustment Assistance for Farmers (TAAF) Program Provisions

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

USDA agencies have established TAAF, authorized by the American Recovery and Reinvestment Act of 2009.

The TAAF Program will be administered by FSA under an interim final rule published in FR March 1, 2010. FAS has overall responsibility for TAAF and has announced it will accept commodity petitions (FAS-930's) for review from **March 1, 2010, through April 14, 2010**. It is anticipated that FSA will start receiving benefit applications (FSA-229-1's) from producers **April 12, 2010**.

Only FAS will receive and review FAS-930's. FSA will provide program outreach and receive and process producer FSA-229-1's. The National Institute of Food and Agriculture (NIFA, previously CSREES) will oversee delivering educational benefits. NIFA has contracted with the Center for Farm Financial Management (CFFM) at the University of Minnesota to oversee TAAF educational benefits. University extension departments or adult education institutions will schedule and conduct training.

B Purpose

This notice provides general information about the TAAF Program benefits and eligibility requirements, and FSA's program responsibilities.

Disposal Date

May 1, 2010

3-1-10

Distribution

State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contacts

For questions or information about this notice, State Office specialists shall contact:

- Gene Rosera, for policy issues, at either of the following:
 - e-mail to **gene.rosera@wdc.usda.gov**
 - telephone at 202-720-8481
- Stacy Carroll, for software issues, at:
 - e-mail to **stacy.carroll@wdc.usda.gov**
 - telephone at 202-690-8037.

2 General Program Provisions

A Funding and Program Duration

The American Recovery and Reinvestment Act of 2009 authorized TAAF and provides \$90 million for FY 2010 and \$22.5 million for the first quarter of FY 2011. A portion of the \$112.5 million includes funds for FSA administrative expenses, training, and producer payments. TAAF Program funds for FY 2010 **must** be obligated to specific applicants no later than **September 30, 2010**, and funds for FY 2011 applicants **must** be obligated by **December 31, 2010**; disbursements may occur later.

The current legislation provides that only the most recent crop year for which complete price information is available is eligible. That provision effectively limits TAAF Program benefits to 2008 and 2009 crop commodities.

B General Provisions

TAAF Program benefits are substantially different from the prior TAA Program. The TAAF Program provides training for applicants to establish initial and long-term business plans. Cash payments to implement the plans are available **after** completing training and receiving approval of submitted business-plans.

Producers will be offered 3 training components; attendance by the applicant or an authorized alternate is **required** for payment eligibility. CFFM will coordinate training. According to paragraph 4, FSA State Offices will need to provide FSA-229-1 information to CFFM directly until web-based application software is available.

2 General Program Provisions (Continued)

B General Provisions (Continued)

To be eligible for TAAF Program payments, applicants must meet eligibility requirements and attend the following **required** training:

- **initial technical assistance** will explain the TAAF Program, general business-plan training, and requirements for approval of business-plan payments
- **intensive technical training** will be a series of workshops (requiring from 12 to 20 hours attendance) to develop an initial business plan (travel expenses **not** paid)
- **long-term intensive training** provides applicants 1-on-1 business counseling to complete and implement a long-term business plan (travel expenses **not** paid).

Note: See Exhibit 1 for a summary of producer requirements and resulting FSA and FAS actions.

Producers who attend all required training and complete approved business plans will be eligible for uniform payments. Unlike TAA, payments are **not** based on the level of production. All applicants will receive the same payment amount for completing business plans; up to \$4,000 for an initial business plan, and up to \$8,000 for the long-term plan. However, these payment rates may be reduced depending on the level of program participation. FSA will announce any rate reductions as they are determined.

Funding is estimated to be sufficient to disburse the maximum payment rates **only** if enrollment does **not** exceed about 7,500 applicants for FY 2010 and about 1,800 applicants for FY 2011.

FSA will approve business plans based solely on instructor recommendations. FSA staff will **not** be responsible for reviewing or evaluating any business plans.

Approved TAAF applicants may request reimbursement for travel expenses incurred to attend the initial technical assistance. Claims are subject to Federal rates and rules governing mileage, per diem, and lodging. Claims are to be submitted to FSA County Offices using FSA-232 that is being developed for TAAF.

FAS is currently establishing a new appeals process applicable to any TAAF disapprovals. That process will be included in the revised FAS-231. FSA will issue a separate SP notice and 1-SP amendment when that policy has been finalized.

2 General Program Provisions (Continued)

C Current and Future Petition Periods

FAS has announced that it will accept FAS-930's for benefits under the TAAF Program from **March 1, 2010, through April 14, 2010**. This initial petition period will allow petitioners to request benefits for either 2008 or 2009 crop commodities. FSA-930's shall be submitted by any of the following:

- mail to:

Trade Adjustment Assistance for Farmers Staff
Import Policies and Export Reporting Division, Office of Trade Programs
Foreign Agricultural Service
1400 Independence Ave SW
STOP 1021
Washington DC 20250

- e-mail to **tradeadjustment@fas.usda.gov**
- telephone at 202-720-0638
- FAX to 202-720-8461.

Any subsequent petition period announced in 2010 will:

- have to occur sufficiently early to allow for FY 2011 funds to be obligated **before** December 31, 2010
- be limited to eligible 2009 crop commodities.

D Commodity and Producer Eligibility

For a commodity to qualify, the FAS Administrator must determine that increased imports of the agricultural commodity contributed importantly to a greater than 15 percent decline in its national average price, quantity of production, value of production, or cash receipts compared to the average of the 3 preceding marketing years.

For a producer to qualify, a producer **must**:

- have produced the commodity during the specific marketing year for which the commodity was determined eligible and at least 1 of the 3 marketing years preceding that year

2 General Program Provisions (Continued)

D Commodity and Producer Eligibility (Continued)

- answer “yes” to 1 of the following:
 - “Did the applicant produce less of the commodity during the marketing year for which the petition is certified than during the most recent marketing year preceding the petition marketing year?”
 - “Did the applicant receive a lower price for production of the petitioned commodity during the petition marketing year compared to the average price received during the prior 3 years in which the commodity was produced?”
 - “Is USDA’s county price for the petitioned commodity on the petition filing date less than USDA’s average county price for the 3 immediately prior marketing years?”

A worksheet for this eligibility determination is part of FSA-229-1. Additionally, producers must meet requirements related to AGI, counter-cyclical/ACRE payment limit, conservation compliance, DCIA, controlled substance, and others.

E Timeline for Program Delivery

Following is an estimated timeline for TAAF Program activities.

Dates	Activity
March 1 through April 14	Period for submitting FAS-930’s to FAS. FAS will, within 40 calendar days from the filing date of each FAS-930, determine whether FAS-930 is certified (approved) or disapproved for benefits.
April 9 through June 3	Approximate period during which FAS will certify or disapprove submitted FAS-930’s. FAS review must be completed within 40 calendar days from the date FAS-930’s is accepted for review – its “filing date.”
April 12 through September 1	Approximate period during which FSA-229-1’s will be submitted. A 90-calendar-day application period for producers will be separately established and announced for each certified FAS-930.
July 10 through November 30	Approximate time period during which the initial training will be scheduled. This initial training must occur within the 90-calendar-day period following the application period for FSA-229-1.
July 24 and forward	Business plan training may start about mid-July. Training schedules will be developed to maximize attendance so harvest periods will be considered. Producers have up to 36 months from the certification date of FAS-930 to submit completed business plans. This means that final payments could stretch out until April 2013.

3 Outreach

A Outreach Activities

Outreach activities include the following:

- providing FAS-930 information to commodity representatives; FSA shall **not** accept FAS-930's, FAS-930's are submitted to FAS

Note: FAS-930 is available in English, Spanish, and Vietnamese.

- after approval of FAS-930, if appropriate:
 - organizing town-hall type meetings to inform producers of TAAF Program provisions
 - mailing TAAF factsheet, when available, FSA-230, or FSA-229-1 to prospective applicants.

FSA regional and State public affair specialists should distribute the TAAF factsheet and any program press releases to local media as they determine appropriate.

Note: Information and instructions for administering the TAAF Program are contained in 1-SP (Rev. 1) that will be published **before** FSA-229-1's are submitted.

4 Processing FSA-229-1's and Payments

A Recording FSA-229-1's

It is unlikely that there will be web-based software available to record FSA-229-1 information or process any payments until after the various FY 2010 application periods are closed. Instead, County Offices will record FSA-229-1 information on an Excel spreadsheet. A separate notice will provide instructions for using the spreadsheet and relaying it through State FSA Offices to CFFM.

FSA-229-1 information will be initially processed according to the following steps.

Step	Action
1	<p>County Service Centers shall accept FSA-229-1's that provides a worksheet for determining whether the applicant meets either the production or price requirements for benefit eligibility. County Offices shall enter into a formatted Excel spreadsheet:</p> <ul style="list-style-type: none"> • FSA-229-1 information, except only the last 4 digits of TIN • an indicator of whether FSA-229-1 can be approved. <p>Note: The Excel spreadsheet will be available on the PSD web site at www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing.</p>

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4 Processing FSA-229-1's and Payments (Continued)

A Recording FSA-229-1's (Continued)

Step	Action
2	Within 3 workdays after the close of each separate commodity application period, each County Office will: <ul style="list-style-type: none">determine and record whether each TAAF Program applicant meets all requirements for TAAF Program benefit eligibilityforward to the State TAAF Program specialist a copy of the Excel spreadsheet of all FSA-229-1 information (including approval/disapproval determination).
3	Within 5 workdays after the close of each separate commodity application period, each State TAAF Program specialist will: <ul style="list-style-type: none">combine all spreadsheets for each commoditye-mail the encrypted spreadsheet to CFFM.
4	As soon as web-based TAAF software is completed FSA-229-1 information previously recorded in Excel and sent to CFFM will: <ul style="list-style-type: none">be sent by CFFM to Kansas City and downloaded by Kansas City into the web-based softwarenot have to be entered into the web software by County Office.

B Payment Processing

TAAF Program payments **cannot** be processed until the TAAF application and payment software is completed. At the time of this notice, PSD has not been provided a timeline for any TAAF application or payment software.

It is important to inform all TAAF Program applicants that:

- producers will be notified by instructors about training dates and locations
- TAAF payments **cannot** be disbursed until payment software is completed, including:
 - reimbursing any travel expense claims
 - paying for completing initial business plans
 - paying for completing long-term business plans.

5 Actions

A SED Action

If FAS approves a commodity for TAAF Program benefits in a State, SED shall immediately identify to PSD a State-level Specialist to be the TAAF Program coordinator. Send the name and contact information to either Gene Rosera or Stacy Carroll by telephone or e-mail as shown in subparagraph 1 C.

B Reporting State/County Administrative Expenses

Funds have been apportioned to FSA to reimburse States for costs of administering the TAAF Program. Some State and individual counties may experience high levels of TAAF Program enrollment that stress their existing budgets for travel, postage and delivery, and miscellaneous expenses. State Offices can elect to submit claims for reimbursement of TAAF Program expenses to the Office of Budget and Finance using the following spreadsheet format.

Example Monthly Request for Reimbursement of Expenses Incurred to Administer the Trade Adjustment Assistance for Farmers Program (Recovery Act)							
State _____	For Month of _____						
Organization Code	Travel (BOC 2121)	Fed Exp /UPS (BOC 2240)	Postage (BOC 2352)	Printing (BOC 2412)	Supplies (BOC 2671)	Other Expenses	Identify BOC & Sub-Object for Other Expenses
Fund 87							
XXXXXX	154.85	25.75	0.00	65.75	85.75	625.00	2540 4B
XXXXXX	25.00	15.00	5.00	35.75	75.00	65.00	
XXXXXX	78.50	14.00	100.00	15.00	0.00	128.00	
Subtotal, Fund 87 - County							
	258.35	54.75	105.00	116.50	160.75	818.00	
Fund 84 (Federal)							
XXX84	225.35	68.45	500.00	125.25	85.75	625.00	2540 4B
XXX84	375.00	45.00	78.45	75.00	22.50	16.45	
XXX84	250.00	0.00	85.00	50.00	58.60	35.75	
Subtotal, Fund 84 - Federal							
	850.35	113.45	663.45	250.25	166.85	677.20	

Note: Federal and non-Federal expenses are separately reported.

The Excel spreadsheet will be provided electronically under separate cover to States administering the TAAF Program. Employee time spent on TAAF Program activities will **not** be needed on this report. Employee time will be collected from the activity reporting system when employees report their time and attendance. Recording and submitting TAAF Program expense claims is at the option of each State Office.

Expense claims are submitted by the State Office to Jeff Beringer, FSA, Office of Budget and Finance, by e-mail to jeff.beringer@wdc.usda.gov.

TAAF at a Glance: Eligibility and Benefit Approval Process Resulting From Applicant Completing Program Requirements

Applicant Actions Required for Benefits	IF the applicant...	THEN...
1. Applicant must submit FSA-229-1.	<ul style="list-style-type: none"> submits FSA-229-1: <ul style="list-style-type: none"> by the application deadline with required documentation meets all eligibility requirements 	FSA approves FSA-229-1 and applicant is eligible for initial orientation, reimbursement of travel to attend the initial training, and intensive training.
	<ul style="list-style-type: none"> submits FSA-229-1: <ul style="list-style-type: none"> after the application deadline without adequate documentation does not meet eligibility requirements 	<p>FSA refers FSA-229-1 to FAS. FAS will disapprove FSA-229-1 and notify the applicant of disapproval and appeal rights and procedure.</p> <p>Note: Applicants can attend orientation training if approval is pending. But only approved applicants are eligible for reimbursement of travel expenses and subsequent training.</p>
2. Applicant must attend mandatory initial (orientation) training (Phase I).	attends orientation (Phase I) training	the Center for Farm Financial Management, University of Minnesota (CFFM) records the applicant's attendance at training. The applicant remains eligible for intensive technical training and cash payments, including reimbursement of travel expenses to the Phase I training.
	does not attend orientation (Phase I) training	CFFM refers this mandatory requirement to FAS. FAS notifies applicant of ineligibility for further training and cash payments.
3. Applicant may submit an optional claim for reimbursement of travel expenses.	<ul style="list-style-type: none"> attends Phase I training and FSA-229-1 was approved submits FSA-232 validated by the Phase I instructor 	FSA will process claim for travel expenses and disburse claimed amounts that are within Federal travel rate maximums.
	<p>did or did not do 1 of the following:</p> <ul style="list-style-type: none"> did not attend orientation did not have FSA-232 validated did attend orientation but FSA-229-1 was not approved 	FSA will refer reimbursement claim to FAS. FAS notifies applicant of ineligibility for further training and cash payments, including travel reimbursement.
4. Applicant must attend/complete the minimum mandatory (Phase II) intensive technical training.	attends minimum intensive training requirements as validated by CFFM and recorded in application software	CFFM records attendance at training. The applicant is eligible for cash payment if business plans meeting CFFM requirements are submitted to instructor.
	does not attend required intensive training as validated by CFFM and recorded in application software	CFFM refers lack of attendance at training to FAS. FAS notifies applicant of ineligibility for further training and cash payments.
5. Applicant must submit an initial business plan meeting minimum CFFM requirements.	submits long-term business plan, and CFFM recommends plan approval in application software	based on CFFM recommendation, FSA approves business plan and disburses cash payment (maximum payment = \$4,000).
	does not submit long-term business plan, or CFFM software entry does not recommend plan approval	CFFM refers initial plan to FAS for disapproval. FAS notifies applicant of ineligibility for further training and cash payments.
6. Applicant must submit a long-term business plan meeting minimum CFFM requirements.	submits long-term business plan, and CFFM recommends plan approval in application software	based on CFFM recommendation, FSA approves business plan and disburses cash payment (maximum payment = \$8,000).
	does not submit long-term business plan, or CFFM software entry does not recommend plan approval	CFFM refers long-term plan to FAS for disapproval. FAS notifies applicant of ineligibility for cash payments.