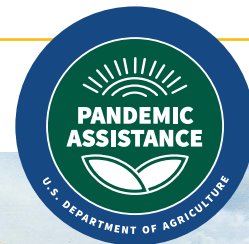


## SPOT MARKET HOG PANDEMIC PROGRAM



### Overview

The Spot Market Hog Pandemic Program (SMHPP) provides assistance to producers who sold hogs through a negotiated sale from April 16, 2020, through Sept. 1, 2020, the period in which these producers faced the greatest reduction in market prices due to the COVID-19 pandemic.

The Farm Service Agency (FSA) is accepting applications for SMHPP from Dec. 15, 2021 to Feb. 25, 2022.

### Who is Eligible?

To be eligible for payments, producers (persons or legal entities) must:

- Had ownership associated with the agricultural production of eligible hogs sold through a negotiated sale;
- Comply with the provisions of the “Highly Erodible Land and Wetland Conservation” regulations, often called the conservation compliance provisions;
- Not have a controlled substance violation;
- Be a citizen of the United States or a resident alien; and
- Submit a complete SMHPP application form and provide all required documentation as specified.

To be eligible for payments, a person or legal entity must have an average adjusted gross income (AGI) of less than \$900,000 for tax years 2016, 2017, and 2018. However, if a person or legal entity whose average AGI for 2016, 2017, and 2018 exceeds \$900,000 but whose 2020 AGI is \$900,000 or less must submit form FSA-1123 and provide a certification from a licensed CPA or attorney affirming the person’s or legal entity’s 2020 AGI is not more than \$900,000.

With respect to joint ventures and general partnerships, this AGI provision will be applied to members of the joint venture and general partnership. AGI provisions are applicable to members of a legal entity, including a general partnership or joint venture who are at or above the fourth tier of ownership in the business structure. If producer fails to provide FSA-1123 then the eligible livestock owner’s payment will be reduced by the portion of a payment attributed to a member who exceeds the \$900,000 AGI limitation or is otherwise ineligible for payment.

Contract growers, packers, producers for hog purchases through all other purchase types including other market formula, swine or pork market formula, other purchase arrangements, and packer owned, are not eligible for SMHPP. Additionally, Federal, State, and local governments, including public schools, are ineligible for SMHPP.

## Eligible Hogs

Eligible hogs include those sold through a negotiated sale by producers between April 16, 2020, and Sept. 1, 2020. USDA identified negotiated hogs as a sector of the agricultural industry significantly impacted by the pandemic that had not been adequately addressed by previous pandemic relief programs and experienced the greatest market price impacts out of all hog purchase types.

The hogs must have been physically located in the United States or a territory of the United States.

Eligible livestock does not include breeding stock.

## How to Apply

Eligible hog producers apply for SMHPP by completing the FSA-940, Spot Market Hog Pandemic Program application and submitting it to any FSA county office. A complete application includes all of the following:

- FSA-940, Spot Market Hog Pandemic Program (SMHPP) Application
- AD-2047, Customer Data Worksheet, for new customers or existing customers who need to update their customer profile
- CCC-902, Farm Operating Plan for an individual or legal entity
- CCC-901, Member Information for Legal Entities (if applicable)
- AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification
- CCC-941, Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information.
- FSA-1123, Certification of 2020 Adjusted Gross Income (if applicable)
- If requested by FSA, the applicant must provide supporting documentation to substantiate the number of hogs reported on the SMHPP application. Examples of supporting documentation include negotiated sale agreement, veterinarian records, feeding records, inventory records, rendering receipts, purchase receipts, other records

determined acceptable by COC.

## Where to File Your Application

FSA staff at your local USDA Service Center will work with you to file your applications. Applications may be submitted by mail, fax, hand delivery, or via electronic means. Please call your Service Center prior to sending applications electronically for instructions and assistance. The SMHPP application and associated forms are available online at [farmers.gov/smhpp](https://farmers.gov/smhpp).

## Payment Calculation

SMHPP payments compensate for hogs sold through a negotiated sale from April 16, 2020, through Sept. 1, 2020. To simplify administration of SMHPP, FSA has determined a single payment rate of \$54 per head.

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate per head of \$54. There is no per person or legal entity payment limitation on SMHPP payments.

## Who to Call for Help

Producers interested in one-on-one support with the SMHPP application can contact our call center at **877-508-8364** to speak directly with a USDA employee ready to offer assistance.

## For More Information

This fact sheet is for informational purposes only; other restrictions may apply. For more information about SMHPP, visit [farmers.gov/smhpp](https://farmers.gov/smhpp) or contact your local FSA office. To find your local FSA office, visit [farmers.gov/service-locator](https://farmers.gov/service-locator).

