

**2018 HEALTHY SOILS PROGRAM
INCENTIVES PROGRAM
QUESTIONS AND ANSWERS (Q&A)
JANUARY 25, 2019**

1. Q. Do applicants need to include documentation (screenshot) for the CARB Compost Ineligible Tool?
A. Yes, the applicant must upload a screenshot showing that the proposed APN is eligible for compost application using the CARB Compost Ineligible Tool. For help to use the tool, refer to [Step by step instructions on how to use Compost Ineligible Tool](#).
2. Q. Is there a naming convention for uploaded files?
A. Yes. The recommended naming convention for all uploaded files is "7-digit application ID_Ag Operation_document name", for example: 9896837_SmithFarm_Budget.
3. Q. Can a producer submit their application in Spanish?
A. No, all application materials must be submitted in English. Applicants may seek help from their local technical assistance providers for translation.
4. Q. In the RGA: page 3 says "The HSP funds may be combined with other funds as match for the same project, such as funds from the USDA NRCS EQIP."; while page 4 says "HSP Incentives Program funds cannot be used to fund fields or APNs with existing and ongoing implementation of any agricultural management practices listed under Eligible Agricultural Management Practices". Can you please clarify what the intent is?
A. Matching funds are not required, but encouraged and other grants (e.g. USDA-NRCS EQIP) are one form of acceptable match. HSP-funded projects must reduce GHG emissions from a baseline scenario (i.e., practice not implemented previously). If an APN has already implemented one or more of the eligible practices through a different grant, it may not be eligible for HSP funding, unless it proposes to include additional practices where they were not implemented previously.
5. Q. If I receive a HSP grant, am I prohibited from any type of farming or using chemicals?
A. The HSP Incentives Program helps farmers implement the HSP practices which would in turn, provide short- and/or long-term benefits to their farming business. It does not prevent farmers/ranchers to do their regular farming activities as needed.
6. Q. Is an APN where hedgerow planting is implemented, eligible for other HSP practices which are not implemented previously?
A. A project with previously funded practices is eligible as long as it proposes to include new practices on APNs where they were not implemented previously.
7. Q. Can a landowner apply for funding through the demonstration (type A or B) and also incentive program on the same APN for a different suite of practices?
A. Yes. However, applicant must ensure the practices being implemented under either grant are distinct and do not overlap. If considering the same practices on the same APN, applicants are not eligible for both HSP Incentives Program and Demonstration Projects funding. Additionally, individuals are not eligible for the HSP Demonstration Projects; applicants must comply with eligibility requirements listed in the [Request for Grant Applications](#).

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8. Q. Would an applicant and/or landowner who received funding in the 2017 Healthy Soils grant round be less competitive in this round?
A. No. However, the new proposed project must implement HSP practices on APNs that have not been previously implemented.
9. Q. Many farmers are already implementing soil management practices on site. What are their options then for implementation based on what makes sense for their land?
A. Projects funded through the HSP Incentives Program must reduce GHG emissions from baseline. Baseline for this program is considered as absence of a practice, therefore, already implemented practices are not eligible for funding. However, if the applicant proposes to expand the practice implementation to new acres on APNs where it was not implemented before; or add new practices (that were not implemented previously) to the same APN, those may be eligible.
10. Q. How is the budget's payment rate calculated? Does it include potential permitting costs or reimbursement for contracted labor? If not mentioned, how can farmers get reimbursed for these items?
A. HSP Incentives Program payment rates are calculated from the USDA-NRCS EQIP payment rates. EQIP considers cost including but not limited to materials and labor. EQIP typically seeks to cover 50% of the practice implementation cost, and for HSP, this payment rate has been doubled to allow 100% coverage. CDFA will only pay the costs consistent with the payment rates established for the program. Any additional costs must be covered through cost-share.
11. Q. Can you have a HSP grant and a SWEEP or AMMP grant on the same Field/APN? How would you differentiate the results between grants?
A. The same agricultural operation or APN may be eligible for both HSP and AMMP grants. The difference lies in the scope of project: AMMP grant must be used toward the manure management system at a livestock operation, while HSP grant must be used toward implementation of HSP practices on the rangeland/pasture or crop fields. Therefore, the project design plan for each is expected to show clearly the part of the farm being covered under either grant.
Similarly, an operation or APN may be eligible for both SWEEP and HSP grants. The project scope for both grants is distinct and must be explained clearly: SWEEP supports the installation of water and energy efficient irrigation systems, while HSP supports implementation of management practices that sequester carbon in the soil and reduce GHGs.
In both cases, the project design and application for either should clearly indicate where the funded work will be implemented.
14. Q. I am considering multiple applications for field sites with different Tax IDs. Am I eligible to apply?
A. Only one application is allowed per unique Tax ID. Separate applications may be submitted for distinct projects; applicant must ensure each project has a unique Tax ID and location APN associated with each application.

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15. Q. We are considering changing from pasture to production of a perennial, non-woody crop. Is pasture considered “natural fallow” land and not eligible for HSP funds if converted to cropland?
A. Pasture land is not considered as fallow land and is eligible for funding.
16. Q. Can a grower implement compost application together with nutrient management, by reducing synthetic fertilizer input by 15%? Can the 15% reduction in synthetic nitrogen be replaced by compost?
A. Compost application and reduction in synthetic nitrogen fertilizer application are distinct practices. They may be implemented in the same project the verification documentation for each must be distinct and non-overlapping, i.e., replacing synthetic fertilizer with compost in order to reduce nitrogen application is not eligible for funding as two separate practices.
17. Q. Is a project without three years of cropping history eligible to apply?
A. CDFA encourages inclusion of three years of cropping history and projects without this information may be less competitive in the technical review.
18. Q. Can a producer who is going to utilize goats to target graze encroaching coyote brush in coastal grassland eligible to apply for Prescribed Grazing?
A. The HSP Incentives Program funds Prescribed Grazing on rangelands. Applicants must provide a Grazing Management Plan by a certified professional range manager when including this practice. If brush control is part of a comprehensive Grazing Management Plan for the rangeland, it may be eligible; however, brush control is not eligible as a standalone project that does not take into account the rangeland supporting commercial livestock.
19. Q. Does a project qualify as a low-income or disadvantaged community based on the location of the field, or that of the business incorporation or grower residence?
A. The location of the project pertains to the location of fields where it will be implemented. Field location must be used to determine low-income or disadvantaged community status.
20. Q. How is acreage calculated in for grassed waterways?
A. The area of the grassed waterway must be measured from top of bank to top of bank, and converted to acres. As a reference, 1 acre = 43,560 square feet.
21. Q. Are soil organic matter samples required for each field, or each APN?
A. For HSP Incentives Program, one soil sample per APN is sufficient.
22. Q. What happens during a pre-project consultation?
A. If a project is selected for funding, they will be contacted by CDFA to schedule a pre-project consultation, which may include a field site visit, discussion of the project plan and budget and grant requirements, prior to execution of the grant agreement.
23. Q. How many HSP practices can I apply for?

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- A. There is no limit to number of practices per project. However, certain practices must not overlap, as detailed on Page 7-8 of the [Request for Grant Applications](#).
24. Q. If a single APN leased to multiple farmers, can each of them apply?
A. Each project must be unique to the APN, therefore, multiple projects are not eligible on the same APN for the same practices.
25. Q. What are the state audit and accounting requirements for Healthy Soils Program recipients?
A. The state audit and accounting requirements describe the standards for utilizing an accounting system adequate to track grant related expenses and retaining records both during the project duration and thereafter for a period of at least three years. Additionally, these requirements include a provision that all projects are subject to audit by the CDFA audit office and/or its designee. Detailed information on the State Audit and Accounting Requirements can be found on Page 22 of the [Request for Grant Applications](#).