

**2018 HEALTHY SOILS PROGRAM
INCENTIVES PROGRAM
QUESTIONS AND ANSWERS (Q&A)
FEBRUARY 8, 2019**

1. Q. Why is the payment rate for hedgerow planting different from windbreak/shelterbelt establishment?
A. CDFA HSP Standard Payment Rates are based on payment rates under the USDA-NRCS EQIP, and differences in rates among hedgerow and windbreak/shelterbelt establishment practices are consistent with the differences with EQIP.
2. Q. Can the HSP funds be used to fund a project with industrial hemp?
A. No, industrial help is not currently eligible for funding under the HSP.
3. Q. A farmer is looking to implement practices that total \$140,000. They will be matching the funds of \$70,000 and asking for \$70,000. How can he/she prepare a budget for a total amount of \$70,000?
A. An applicant may request a grant amount for a project that is consistent with the number of acres they propose to implement the project on, and the standard payment rate of practice(s) they propose to include in the project, up to a maximum of \$75,000. An applicant may only prepare a budget for desired amount (e.g. \$70,000 in this case) if the per acre payment rate of the practice(s) selected for the project multiplied by number of acres for implementation add up to that amount.
4. Q. An applicant is interested in Conservation Crop Rotation management practice and was wondering about how stringent the commitment to the work plan would be. Hypothetically, as markets and weather are unpredictable or unforeseeable, what if the work plan needs to be changed to fit another crop or what if the planting window passed? Can work plans be amended according to growing conditions and seasons? or would this be a violation of contract and funding discontinued?
A. The applicant must provide a clear work plan listing activities and timeline for implementation of each eligible practice in their application. This information goes through a technical review, and if the project is selected for award, CDFA uses this information to execute a grant agreement with the applicant. Applicants are required to comply with their grant agreement throughout the project duration and must inform CDFA immediately of any delays. Depending on the nature of delay and request, CDFA may evaluate a request as allowable or unallowable on a case-by-case basis.
5. Q. What is the specific difference between cost share and in-kind contribution?
A. Cost-share refers to cash dollars while in-kind match continuation refers to any services provided in-kind by the applicant or applicant organization.
6. Q. When designing the work plan how important is it to name the specific outside contractors that will be performing the work?
A. While not necessary to provide exact contractor names, applicants are strongly encouraged to provide this information. More detailed work plans may be more competitive during technical review.
7. Q. If existing farm management history consists of two broadleaf warm weather crops could introducing a cool season grass or broadleaf as a management practice be considered a new cover crop?

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- A. Yes. To be an eligible cover crop, the cool season crop must be planted each year for 3 years of the grant duration.
8. Q. Can an APN, where one or more of the eligible HSP practices are already being implemented in some fields, eligible for funding for the same practices on a different field or portion of that APN?
- A. Consistent with [CDFA's responses to public comments](#) during program development, CDFA is unable to track projects by fields at this time. Since not all counties have registered field IDs, tracking of fields adds several layers of complexity to the application, reporting and verification processes for CDFA as well as for awarded farmers and ranchers. CDFA does not currently have resources to implement this level of tracking but will consider this suggestion for future rounds of HSP.
9. Q. If the project intends to implement hedgerow planting practice in the first year, what should be entered in the work plan for years 2 and 3?
- A. Applicants must provide a list of detailed activities necessary for the implementation of proposed practices (hedgerow planting in this case) for all three years of the work plan. These may include, but are not limited to, soil prep, planting, replacement of dead plants, irrigation and maintenance, and soil sampling.
10. Q. When applying for on-farm composting practice, must I submit the compost lab analysis by March 8 for the application to be considered complete?
- A. Applicants are encouraged to provide as much detailed information as possible about their project at the time of application to improve competitiveness of their application. Requirements related to on-farm prepared compost (see page 9 of the [Request for Grant Applications](#)) will be subject to annual verification for all awarded projects.
11. Q. What is the payment process for farmers? Is based on reimbursements upon submission of service/product/vendor receipts?
- A. The HSP Incentives Program is based on a reimbursement of flat-rate payments. Award recipients must maintain documentation, including receipts, of their expenses as they are subject to verification during CDFA site visits. To receive payments, award recipients are required to only submit an invoice (invoice template will be provided by CDFA). Recipients may be eligible for advance payments of up to 25 percent of the grant award. See Page 15 of the [Request for Grant Applications](#) for details.
12. Q. How many of a certain plant type needs to be in a cover crop mix to fit the requirements. We want to plant high diversity cover crop mixes.
- A. There is no limit on number of species that can be used in a cover crop mixture.
13. Q. What does project sustainability mean?
- A. Project sustainability refers to the continuation of the project after the completion of the CDFA grant duration, including but not limited to the recipients' plan to use learnings from the project to continue to new fields or implement new practices on their operation.
14. Q. Can I stack multiple practices?

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- A. Yes.
15. Q. Is the limit \$75,000 per year or \$75,000 for the life of the program?
A. The maximum grant amount is \$75,000 for the entire grant duration, i.e., July 1, 2019 – March 31, 2022.
16. Q. What type of information is needed to justify employing workers from Severely Disadvantaged Communities (SDACs)?
A. Applicants are encouraged to include information including but not limited to number of jobs created, average wages and benefits to be provided and duration of new employment (permanent/full-time versus part time) for employees who are residents of SDACs.
18. Q. Can conservation cover be implemented on grazed land?
A. No, the intent of Conservation Cover practice is to establish and maintain a permanent vegetative cover on cropland and should be protected from livestock grazing and trampling to the extent necessary to ensure that it will perform the intended purpose(s).
19. Q. HSP practice Riparian Herbaceous Cover (USDA NRCS CPS 390) allows for use of plug planting, but no potted plants or plant medium can be used with grant funds. Please clarify since plug is generally a plant in planting medium?
A. The plug planting scenario may be used if the plug is planted into the soil.
20. Q. If a producer has been practicing a form of managed grazing, but has recently completed a new Grazing Management Plan with a Rangeland Management Specialist and would like to implement that new plan, would they be eligible to apply for Prescriptive Grazing funds through HSP?
A. Such a project may be eligible for funding. The information of the previous grazing plan must be provided under the Baseline Data section of the application, and differences between previous plan and new proposed plan must be clearly explained to justify how GHG reductions benefits will be achieved through the project.
21. Q. Are practices performed in 2018 eligible for reimbursement?
A. No. 2018 HSP funds can not be expended prior to July 1, 2019 or after March 31, 2022.
22. Q. What should be included as cost share?
A. Cost-share are funds not being requested in the grant application and provided by the applicant. Cost-share can include matching funds or in-kind contributions. See page 10 of the Request for Grant Applications.
23. Q. Can I harvest or graze a cover crop?
A. CDFA does not recommend a specific method to terminate a cover crop. Any termination method applied as well as requirements for maintenance of cover crop must be consistent with USDA NRCS CPS 340.
24. Q. What address do you use for the SDAC status, field location or farm headquarters?
A. SDAC status is based on the site of project implementation, i.e., the field location.

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25. Q. How can a permanent cover crop be planted in the mow strips of the orchard?
A. [A permanent cover crop in the alleyways of an orchard may be eligible for Conservation Cover practice and must be implemented according to USDA NRCS CPS 327.](#)
26. Q. Can we request funding for the same practices we are receiving funding from NRCS for?
A. [NRCS EQIP funds can be used as matching funds for the same project and practices, however, the activities covered by the two grant sources must be clearly explained in the application work plan.](#)
27. Q. If I want to choose the cover crop practice, must I choose a cover crop that is listed in the Calflora tool?
A. [The CalFlora eVegGuide is provided as a resource to assist applicants in making plant selections. It is not mandatory to select species listed in the CalFlora eVegGuide.](#)
28. Q. For the forage and biomass planting practice, is there a specification for how often/frequently the plants must be foraged?
A. [This practice must be implemented consistent with USDA NRCS CPS 512. At a minimum, livestock should be excluded until the plants are well established and ground cover and root mass need to be sufficient to protect the soil from wind and water erosion.](#)
29. Q. Is mulching an eligible practice for orchards?
A. [Yes.](#)
30. Q. Does planting avocado trees count for the tree/shrub establishment practice or the contour buffer practice?
A. [Contour buffer practice is intended is to plant permanent, herbaceous vegetative cover, not trees. Tree/Shrub Establishment practice is not intended for planting food and fiber crops, rather, it is intended for trees or shrubs that provide benefits such as improved wildlife habitat, increased plant diversity and erosion control. Practices must be implemented consistent with USDA NRCS CPS 332 and USDA NRCS CPS 612, respectively.](#)
31. Q. Will photographs suffice as a verification method for funded projects?
A. [Verification will be conducted by CDFA Environmental Scientists who will visit the field sites and evaluate based on APNs to verify compliance with program requirements. Photographs may be collected to substantiate project verification records but are not a replacement for a field visit by authorized CDFA staff persons.](#)
32. Q. Are ADA farmers and ranchers included under Socially Disadvantaged Farmers and Ranchers? count for socially disadvantaged farmers?
A. [AB 1348 \(Farmer Equity Act\) section 512.\(c.\) defines socially disadvantaged farmers and ranchers as members of a “socially disadvantaged group”; a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of a group without regard to their individual qualities. These groups include all of the following:
\(1\) African Americans.
\(2\) Native Indians.](#)

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- (3) Alaskan Natives.
- (4) Hispanics.
- (5) Asian Americans.
- (6) Native Hawaiians and Pacific Islanders.

In the Healthy Soils Program application, those who identify as a member of this group will receive priority funding. Full text of the bill can be found at https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB1348.

While ADA farmers and ranchers are not included in this definition according to the Farmer Equity Act, CDFA encourages them to continue to apply to the program.

33. Q. Must the project designs have a minimum or maximum acreage?
A. There are no minimum or maximum requirements for acreage in the HSP. However, since grant amount requests are calculated based on standard payments rates by acres, acreage may be subject to reaching the total maximum grant award amount of \$75,000, depending on practices included in the proposed project.
34. Q. If worms get into my on-farm compost naturally, unintentionally, will be considered as vermicompost and therefore, not eligible?
A. On-farm compost that is eligible for HSP must be prepared and periodically tested based on information provided on page 9 of the [Request for Grant Applications](#). Vermicompost typically involves worms and worm castings are an integral and substantive part of the compost production process.
35. Q. What does “years to be paid” mean in the document [Payment Rates, Implementation Guidelines, and Verification Methods](#)?
A. This refers to the means number of years the practice implementation can be reimbursed by HSP. For practices that involve a one-time activity, e.g., those under the “Woody Cover Establishment on Cropland Practices” category, may only be paid once during the three-year grant duration.
36. Q. For Nutrient Management (USDA NRCS CPS 590), should the fertilizer application rate be reduced by 15% each year, or over the grant duration (3 years)?
A. An overall 15% percent reduction in fertilizer application rate must be achieved and maintained for the three years of the grant duration.
37. Q. Is an APN of dead avocado trees eligible for Multi-story Cropping? If not, is there any practice to allow for reintroducing trees?
A. Consistent with [USDA NRCS CPS 379](#), there must be existing stands of trees on the APN to be eligible for funding. The intent of HSP practices that involve tree plantings, such as those under the “Woody Cover Establishment on Cropland Practices” is to plant nonfood-crop or fiber-crop trees that provide benefits including but not limited to improved wildlife habitat, increased plant diversity and erosion control.
38. Q. Can dead avocado trees be chipped and used to implement mulching on a field of live avocado trees?

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- A. Such a project may be eligible if mulch is applied each year for the three year grant duration in accordance with the requirements in [USDA NRCS CPS 484](#).
39. Q. How many Tax Identification Numbers (TIN's) can there be on one project?
A. Awards are limited to one per agricultural operation using a unique tax identification number per round of funding.
40. Q. If a proposal is selected for funding, how soon should recipients expect to receive payment after submitting an invoice?
A. Healthy Soils Incentives projects invoice on an annual basis. Once verification of eligible agricultural management practices is complete and an invoice is received and approved by CDFA, payments are typically issued within 45 days. In the case of the final invoice, CDFA will withhold 10 percent of the total grant award until a final project verification is completed. Once final verification is complete payment of the final invoice, including the 10 percent withhold, is also typically issued within 45 days.
41. Q. Is the same project (same APNs and management practices) eligible to receive both Incentives Programs and Demonstration Projects grants?
A. No. A project with same APNs and management practices may only receive one of the grant awards.