

**New Mexico Department of Agriculture  
2008 Aquaculture Grant Program  
Work Plan**



## **New Mexico Department of Agriculture 2008 Aquaculture Grant Program Program Guidelines**

New Mexico Department of Agriculture (NMDA) will administer financial assistance to eligible aquaculture producers in New Mexico who produced an aquaculture species for which 2008 feed costs represented at least 25 percent of the producer's total input costs for the aquaculture operation, as certified by the producer. New Mexico was allocated \$5,837 by the United States Department of Agriculture (USDA) Commodity Credit Corporation (CCC) under the American Recovery and Reinvestment Act of 2009, and will be administered following basic USDA-CCC guidelines.

### **Administrative Program Process**

New Mexico will have a one-month application period beginning August 31, 2009, and ending September 30, 2009, during which eligible aquaculture producers must complete an application that includes self-certification of species, aquaculture feed purchases (NMDA tonnage report filed by feed registrant or an affidavit from the feed manufacturer stating tonnage purchased) and feed price data for the year 2008. Once the application period closes, the number of eligible applicants will be calculated and the \$5,837 will be prorated accordingly. NMDA has chosen the direct cash payment method of assisting eligible aquaculture producers.

### **Producer Eligibility**

To be eligible for the 2008 Aquaculture Grant Program (AGP), a producer must meet all of the following criteria:

- During the 2008 calendar year:
  - Raised an aquaculture species in a controlled environment
  - Maintained the aquaculture species as part of a farming operation
  - Had a financial risk in the production of such species.
- Raises aquaculture as of the date of their AGP application with NMDA.
- Meet the following program loss requirements
  - Produced an aquaculture species for which 2008 feed costs represented at least 25 percent (25%) of the producer's total input costs for the aquaculture operation, as certified by the producer,
  - Experienced at least a 25 percent (25%) price increase of 2008 feed costs above the state's previous 5-year average (2003–2007) established for the applicable species. A 25 percent price increase for a species shall be

determined by multiplying the previous 5-year average, as established by NMDA, for the applicable species times 1.25.

- For aquaculture producers to be eligible for the AGP Program they must have a USDA Farm Service Agency (FSA) "person" determination for 2008, be compliant with 2008 Adjusted Gross Income requirements and have met conservation compliance eligibility. FSA County Offices will be required to accept 2008 CCC-502's if a previous 2008 "person" determination is not on file for the producer. In addition, producers will be required to file CCC-526 and AD-1026 if one is not already on file.

### **Producer Application Requirements**

- Submits to NMDA the following required documentation which establishes, at a minimum:
  - NMDA 2008 Aquaculture Grant Program Application;
  - NMSU Vendor Questionnaire;
  - The producer supplies the department with a letter from the feed mill or supplier that certifies the producer's total feed deliveries in calendar year 2008;
  - The producer's 2008 average feed price for the applicable aquaculture species; and
  - Copies of the supplier's 2008 quarterly tonnage reports to NMDA verifying tonnage.
- The amount of assistance provided to an eligible aquaculture producer shall not exceed the amount of losses suffered by the producer as a result of high feed input costs during the 2008 calendar year.
- Producer has not received and will not receive assistance under section 531 of the Federal Crop Insurance Act or section 901 of the Trade act of 1974 for any losses in 2008 relating to the applicable aquaculture species.
- Producer agrees to maintain, for a period of 3 years after receiving program grant dollars, all records pertaining to the aquaculture operation and the agreement with NMDA. The producer agrees to furnish any requested information to NMDA that support the producer's receipt of assistance under the 2009 AGP and will be subject to audit by an authorized representative of NMDA or of the United States Department of Agriculture (USDA), or the Comptroller General of the United States. Failure to keep, or make available, such records will result in termination of the agreement by NMDA and refund to NMDA of all benefits received, plus interest thereon, as determined by NMDA and/or USDA.

### **Eligible Aquaculture Species**

For the purposes of the 2008 Aquaculture Grant Program, in New Mexico, eligible aquaculture species include the following species of fish:

- Tilapia
- Trout
- Catfish
- Baitfish
- Other – Eligibility to be determined on a case by case basis per program guidelines.

### **Average Price per Ton as Derived from Manufacturer Survey\***

The 2003-2007 average prices per ton for feed manufacturers with registered aquaculture feed labels in the State of New Mexico is listed below. For other types of fish feed not listed below, we will contact the manufacturer or labeler of the feed to derive an average price for that type of feed.

- Trout - \$852.00/ton
- Catfish - \$492.00/ton

*\*NMDA will supply USDA – Farm Service Agency with additional average prices as they are determined.*

### **Producer Payment Calculations**

The Recovery Act specifically states that AGP funding will be allocated on a pro rata basis, based on the amount of aquaculture feed used in each State during the 2007 calendar year. Therefore, the amount of the grant to the State from CCC is based on the total aquaculture feed delivered in the State in the 2007 calendar year, as determined by the State. The State's 2007 feed deliveries must include feed for all aquaculture species in the State that was delivered to an individual or entity that is still in operation in 2009. In addition, the State's 2007 feed deliveries must not include 2007 feed deliveries to Federal or State-owned hatcheries.

The amount of assistance provided to each eligible aquaculture producer from the State shall be equal to the result of multiplying:

- The payment rate as determined in the manufacturer survey times
- The producer's total feed deliveries (that is, deliveries to the producer for use in the producer's aquaculture operation) in calendar year 2008 for the applicable aquaculture species.

The payment rate shall be that amount which the State has determined is equal to the result of subtracting:

- The producer's 2008 average feed price for the applicable aquaculture species, minus
- The State's 2003-2007 5-year average feed price for the applicable aquaculture species, as established above.

If the total amount of benefits calculated for a producer, after applying the payment limitation, for all eligible applicants in exceeds the grant amount provided to NMDA, NMDA will reduce the amount of assistance calculated for each applicant on a pro rata basis.

### **Program Funding Requirements**

The total amount of assistance that a person may receive from the funds made available under this and any other state's Agreement for this program shall not exceed \$100,000 in aggregate, except for general partnerships and joint ventures in which case assistance shall not exceed \$100,000 times the number of members that constitute the general partnership or joint venture. The rules of 7 CFR Part 1400 shall apply to "person" determinations (the rules for attributing payments in addition to the owners of entities and sub-entities will not apply). 7 CFR Part 1400 is available at [www.access.gpo.gov/nara/cfr/waisidx\\_04/7cfr1400\\_04.html](http://www.access.gpo.gov/nara/cfr/waisidx_04/7cfr1400_04.html). The payment limitation shall be applied to an applicant based on the applicant's business structure as it existed during calendar year 2008.

No person shall be eligible for assistance if they are not in compliance for calendar year 2008 with the conservation compliance provisions of 7 CFR Part

Likewise, no person shall be eligible to receive assistance if their adjusted gross income, as computed under 7 CFR Part 1400 with respect to 2008 programs, averaged more than \$2.5 million for calendar years 2005-2007.

### **Compliance Checks to Aid Against Fraud**

Producers are being asked to self-certify for program eligibility, and NMDA believes that New Mexico producers will be honest in their participation. However, per the State of New Mexico grant agreement with USDA Farm Service Agency and Commodity Credit Corporation, NMDA will do all that it can to protect the integrity of this program. Compliance checks are required and will be conducted on a minimum of 5% of the applicants. These compliance checks may include the sharing of information with adjoining participating states. Producers must retain documentation related to aquaculture production and feed purchases for three years after receipt of funds.

## **Application Process**

The application deadline is **5:00 p.m. on Wednesday, September 30, 2009**. The application must be in possession of NMDA's Las Cruces office at that time. No exceptions will be made.

Applications are available at:

NMDA web page [www.nmda.nmsu.edu](http://www.nmda.nmsu.edu)

NMDA Las Cruces office, 3190 South Espina

NMDA Albuquerque office, 2604 Aztec, NE

Although the Farm Service Agency and Cooperative Extension Service offices are assisting in distributing applications and have a basic knowledge of the program, they have not received training; therefore, producers should direct all questions regarding the application process to NMDA at (575) 646-3107. Applications **MUST** be returned to NMDA, and it is the producers' responsibility to complete this task.

**A complete application consists of the NMDA Application and NMSU Vendor Questionnaire with an original signature. Incomplete applications or applications received after the deadline cannot be considered. Faxed or electronic copies cannot be accepted.**

Completed applications must be mailed to:

New Mexico Department of Agriculture  
Attention: 2008 Aquaculture Grant Program  
MSC 3150, Box 30005  
Las Cruces, NM 88003-8005

Or hand delivered to:

New Mexico Department of Agriculture  
3190 South Espina, Las Cruces, NM