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DEPARTMENT OF AGRICULTURE

Farm Service Agency

Commodity Credit Corporation

Notice of Funds Availability (NOFA) for the Organic Certification Cost Share Program

[Docket ID CCC-2016-0004]

AGENCY: Commodity Credit Corporation and Farm Service Agency, USDA.

ACTION: Notice.

SUMMARY: The Farm Service Agency (FSA), on behalf of the Commodity Credit Corporation (CCC), is announcing changes to the availability of funding and payment calculation for certified organic operations, which are required based on expected participation levels and limited funding, under the Organic Certification Cost Share Program (OCCSP). FSA is also announcing the opportunity for State Agencies to apply for grant agreements to administer the OCCSP program in fiscal year (FY) 2020.

DATES: *Applications for State Agency Agreements:* FSA will accept applications from State Agencies for funds for FY 2020 cost share assistance between the period of **[Insert date of publication in the *FEDERAL REGISTER*]**, and **[Insert date of 30 days after publication in the *FEDERAL REGISTER*]**.

Producer and Handler Applications: FSA county offices will accept applications for OCCSP payments from producers and handlers for FY 2020 until October 31, 2020. For FY 2021 through 2023, FSA will accept applications from October 1 of the applicable FY through October 31 of the following FY.

FOR FURTHER INFORMATION CONTACT: Tona Huggins, Program Policy Branch Chief, (202) 720- 6825, Tona.Huggins@wdc.usda.gov.

SUPPLEMENTARY INFORMATION:

Background

OCCSP provides cost share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the National Organic Program (NOP). Funding for OCCSP is provided through two authorizations: (1) National Organic Certification Cost Share Program (National OCCSP) funds¹ and (2) Agricultural Management Assistance (AMA) funds². Section 10105 of the Agricultural Improvement Act of 2018 (2018 Farm Bill, Pub. L. 115–334) amended section 10606(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 6523(d)), authorizing \$2 million from CCC to be used for National OCCSP for each of FYs 2019 and 2020, \$4 million for FY 2021, and \$8 million for each of FYs 2022 and 2023, to remain available until expended. In addition, approximately \$4 million in National funding remains available from previous FYs and will be used to fund OCCSP in 2020. An additional \$1 million in AMA funding is authorized in 7 U.S.C. 1524 for each FY.

The purpose of this NOFA is to announce changes to the funding availability and payment calculation provisions for FY 2020 through 2023 and to notify State Agencies of

¹National OCCSP funds provide assistance for organic producers and handlers in in the 50 United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands. The funds can be used for cost share payments for the four categories, or “scopes,” recognized under the USDA organic regulations (crops, livestock, wild crops, and handling), and for the additional scope of State organic program fees.

²AMA funds provide assistance for producers in the following States: Connecticut, Delaware, Hawaii, Maryland, Massachusetts, Maine, Nevada, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, West Virginia, and Wyoming. The funds can be used for cost share payments for the three scopes of crops, wild crops, and livestock.

the opportunity to apply to administer OCCSP in their State for FY 2020. On April 29, 2019, FSA published a NOFA in the *Federal Register* announcing general eligibility and administrative provisions for OCCSP for FY 2019 through 2023 (84 FR 17997). The 2019 NOFA provided that eligible certified organic operations could receive reimbursement of 75 percent of their eligible costs to obtain or maintain their organic certification, up to a maximum payment of \$750 per scope, which is the maximum payment allowed by law. In FY 2019 and prior years, funds were available to cover all applications; however, the amount of funding available will not cover expected participation levels in FY 2020.

For FY 2020 through 2023, FSA is revising the reimbursement amount to 50 percent of the certified organic operation's eligible expenses, up to a maximum of \$500 per scope. This change is due to the limited amount of funding available and will allow a larger number of certified organic operations to receive assistance. If additional funding is authorized at a later time, FSA may provide additional assistance to certified operations that have applied for OCCSP, not to exceed 75 percent of their eligible costs, up to \$750 per scope.

The changes to the payment calculation and maximum payment amount are applicable to all certified organic operations, regardless of whether they apply through an FSA county office or a participating State Agency. Due to the changes, State Agencies that are interested in overseeing reimbursements to producers and handlers in their States must establish new agreements with FSA for FY 2020. FY 2020 agreements will include provisions that allow FSA to extend the agreements to provide additional funds and allow State Agencies to continue to administer OCCSP for future years. FSA has not yet

determined whether an additional application period will be announced for later years for State Agencies that choose not to participate in FY 2020; State Agencies that would like to administer OCCSP for future years are encouraged to establish an agreement for FY 2020 to ensure that they will be able to continue to participate. If additional funds are authorized for OCCSP for FY 2020, FSA and State Agencies may amend the grant agreements to provide additional funds and increase the payment amount that a certified organic operation may receive.

To provide cost share assistance for FY 2020, State Agencies must complete an Application for Federal Assistance (Standard Form 424 and 424B) and enter into a grant agreement with FSA. State Agencies must submit the Application for Federal Assistance (Standard Form 424 and 424B) electronically via Grants.gov, the Federal grants website, at <http://www.grants.gov>. For information on how to use Grants.Gov, please consult <http://www.grants.gov/GetRegistered>. State Agencies intending to utilize subgrantees must refer to the FY 2020 Full Notice of Funding Opportunity Announcement on Grants.Gov for additional application requirements. FSA will accept applications from State Agencies for funds for FY 2020 cost share assistance between the period of **[Insert date of publication in the *FEDERAL REGISTER*]**, and **[Insert date 30 days after date of publication date in the *FEDERAL REGISTER*]**.

Paperwork Reduction Act Requirements

There are no changes to the information collection request for OCCSP that has been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act. The OMB control number for the approval is 0560-0289.

Catalog of Federal Domestic Assistance

The title and number of the Federal assistance program in the Catalog of Federal Domestic Assistance to which this NOFA applies is 10.171, Organic Certification Cost Share Program (OCCSP).

Environmental Review

The environmental impacts of this NOFA have been considered in a manner consistent with the provisions of the National Environmental Policy Act (NEPA, 42 U.S.C. 4321-4347), the regulations of the Council on Environmental Quality (40 CFR parts 1500-1508), and the FSA regulations for compliance with NEPA (7 CFR part 799). The purpose of OCCSP is to provide cost share assistance to producers and handlers of agricultural products in obtaining organic certification. This NOFA merely announces funding availability and changes to general eligibility and administrative provisions for FY 2020 through 2023. FSA is not making substantive changes to OCCSP. As such, the Categorical Exclusions found at 7 CFR part 799.31 apply, specifically 7 CFR 799.31(b)(6)(iii) (that is, financial assistance to supplement income). No Extraordinary Circumstances (7 CFR 799.33) exist. As such, FSA has determined that this NOFA does not constitute a major Federal action that would significantly affect the quality of the human environment, individually or cumulatively. Therefore, FSA will not prepare an environmental assessment or environmental impact statement for this administrative

action and this NOFA serves as documentation of the programmatic environmental compliance decision.

Steven Peterson,
Acting Administrator,
Farm Service Agency.

Robert Stephenson,
Executive Vice President,
Commodity Credit Corporation.

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