

Q 1: My understanding of the beginning farmer definition with USDA is that it goes back to tax filing as an entity e.g. if the entity has filed with the IRS less than 10 years, they are considered beginning. Would be curious if there are other beginning farmer definitions out there for this grant.

Maine is currently using the NRCS definition (stated as below) and is not requesting tax documents. Is there any further guidance we should consider adopting? The state determines what documentation if any they will require, self-certification from the applicant is sufficient.

Maine will use the USDA Natural Resources Conservation Service (NRCS) to define New and Beginning Farmer and Rancher. According to the NRCS, a Beginning Farmer or Rancher is an individual or entity who has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years.

This requirement applies to all members of an entity that will materially and substantially participate in the operation of the farm or ranch.

- In the case of a contract with an individual, individually or with the immediate family, material and substantial participation requires that the individual provide substantial day-to-day labor and management of the farm or ranch, consistent with the practices in the county or State where the farm is located.
- In the case of a contract with an entity, all members must materially and substantially participate in the operation of the farm or ranch.
 - Material and substantial participation requires that each of the members provide some amount of the management, or labor and management necessary for day-to-day activities, such that if each of the members did not provide these inputs, operation of the farm or ranch would be seriously impaired. Entity members that do NOT materially and substantially participate in the operation of the farm or ranch are not considered in the qualification of a New and Beginning Farmer and Rancher.

Q 2: A potential applicant asked “If a new farmer is taking over an established farm, do we need to have the legal transition of the farm be completed before he would qualify as a beginning farmer, or would he need some sort of agreement? Would he be qualified to be the applicant?”

Maine responded that every applicant must have a UEI and to be considered a beginning farmer or rancher applicant, they must meet the NRCS definition as stated in the RFA (and above).

Is there additional guidance related to this beyond that that better responds to this question?
Same response as the first question.

Q 3: A potential applicant asked “If I am going to be growing 1,000 pounds of tomatoes and purchasing 1,000 pounds of tomatoes, all from Maine, and we're going to be making a puree, is the value of the 2,000 pounds of tomatoes that will be used to complete the Project eligible to be considered to meet the matching funds requirements? To clarify is produce that the Project Applicant grows for the Project an eligible in-kind match? Is the produce that the Project Applicant plans to purchase for the Project an eligible in-kind match?

What guidance would you suggest beyond: All matching contributions must be committed or secured at the time an applicant is recommended for an award. Is the value of raw ingredients used in a food processing Project considered as eligible as a match in any scenario? The intent of RFSI Infrastructure Grants (i.e., subawards) is for projects to expand capacity and infrastructure for the aggregation, processing, manufacturing, storing, transporting, wholesaling, or distribution of targeted local and regional agricultural products.

Matching funds must be necessary and reasonable for accomplishment of project or program objectives. The funds used to purchase tomatoes as described in the email does not seem necessary for expanding capacity and infrastructure, and thus are unallowable as match. See [2 CFR 200.306\(b\)](#) for additional information on matching fund requirements.

Q 4: Mussel and Oyster seedstock are acquired from wild beds and then transferred to leased intertidal property for aquaculture farming. The seedstock is farmed through recognized and permitted aquacultural practices.

Are there any concerns with this project being eligible as farmed and not wild-caught aquaculture? Both proposed projects indicate that the seafood is farm raised on leased beds and/or cages and not harvested in the wild.

Mussel Aquaculture

- **Pre-Harvest:**
 - Mussels are found in densely populated beds and are restricted to intertidal, shallow, and subtidal zones due to subtidal predation.
 - The prospective applicant gathers seed mussels from wild beds.
 - The applicant has a lease where the seed mussels are implanted on the leased seabed (this is referred to as bottom culture).

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- The lease area is where farmed mussels grow on substrate aka bottom culture. The seed mussels collected from dense wild beds are spread thinly over the lease site to allow the mussels to grow more efficiently than in the wild. The mussels attach to the substrate with strong string-like appendages called byssal threads.
- After growth, they thin out the seed mussels, collect and reseed them onto another lease site. They manage and remove weeds (kelp and monkey hair seaweed predominately) control predators (eider ducks, and when the seed is small green crab trapping), then the first lease is swept clean (removing any remaining animals, predators, and weeds).
- **Harvest:**
 - To harvest the mussels, they remove them from seabed leased farm site with a boat. Maine DMR permits mussel harvest by drag or dredge and in some instances and areas only by drag.
 - The mussels are brought on board and get dumped into a water storage container. Then the mussels run up a conveyer belt and have rocks removed, then through a depumping unit that turns them into individuals. Then they go into big vats back of water to be stored and kept alive until distributed for food consumption.
 - Currently, the prospective applicant has a big pump that pumps seawater into the facility and the water goes through the mussel storage vats then back into the ocean—their current method storing of mussels is dependent on seawater.
 - Different organizations vary on the definition of the harvest stage of mussel production in farmed aquaculture.
 - The definition of harvest according to the U.S. Food and Drug Administration's National Shellfish Sanitation Program (NSSP) is: "Harvest means the act of removing shellstock from growing areas and its placement on or in a manmade conveyance or other means of transport." you have to follow the definition of conveyance: "Conveyance means any type of container used to transport shellfish. The controls of the NSSP are intended to address the container in which the shellfish are being held during transport from landing to final consumer. For the purposes of meeting the NSSP time temperature requirements for conveyances, the containers in which the shellfish are being held must meet the required temperatures. Should shellfish be shipped in a small container within a cargo space, the temperature requirement would apply only to the temperature within the container."
 - Luke Sexton, [NOAA Seafood Inspection Program](#), responded to affirm, "when mussels are removed from their natural growing environment constitutes the Harvest date."
 - The Maine Department of Marine Resources (DMR) considers harvest to be after the mussel stock is collected by drag or dredge and brought to the boat.

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- Practically speaking, the prospective Applicant considers harvest when the farmed mussels are removed from the leased farm site they were grown on in and have gone through the primary processing steps, and by the time they have been washed, declumped, tumbled, destoned, and are ready to be brought on land. Anything that happens once the mussels are brought on shore and off the boat are considered post-harvest in the applicant's opinion.
 - To put it in terms of terrestrial farming, on-land wet storage of mussels is analogous to storing apples in ozone modified atmosphere for freshness, or picking mushrooms and storing them in a humified chamber to reduce the rate at which they go bad.
- **Post Harvest:**
 - After the mussels go through the harvesting steps on the collection boat.
 - They are then brought to shore to be stored in water.
 - Mussels are still alive up until the moment you cook them or when their shell is opened.
 - Seawater is pumped into the facility where mussels are stored until they are packaged and shipped to consumers to distributed for value added food processing.
- **Project Proposal:**
 - The prospective applicant wishes to submit a Project to build two recirculating wet storage systems and to construct/renovate an aquaculture, mussel, processing facility that recirculates sterile water instead of ocean water. This would help the post-harvest storage process, as the State will shut down the current processing facility when there are heavy rains or other concerns about toxins that could impact the quality and safety of the mussels with regard to food consumption.
 - The Project would improve food safety and increase storage capacity of post-harvest mussels.

Oyster Aquaculture

- **Pre-Harvest:**
 - The prospective applicant gathers seed oysters from wild beds.
 - Immature oysters are transported to man-made beds on leased intertidal property where they are allowed to mature.
 - They are also graded and given space to grow.
 - The prospective applicant lease is located at the foot of Cadillac Mountain, where the the water is cold from ice.
 - The prospective applicant grows oysters in cages (considered off-bottom culture) on cold salt water surfaces within mesh bags until they are considered "market size."
 - Cages protect the maturing oysters from open water.
 - They grow in the cages for about 2.5 years to reach market size.

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- **Harvest**
 - Oysters are harvested from the cages and mesh bags and placed into totes (via hand or a rake) and brought onto shore by boat.
 - The prospective applicant currently harvests the oysters by hand.
- **Post Harvest**
 - Once harvested, there is a two hour limit from when the oysters are harvested from the water to store them under temperature control.
 - Oysters must be kept cold until consumption.
 - Oysters are stored until packed and shipped to consumers, freshness is imperative to oysters with regard to food safety.
- **Project Proposal:**
 - The prospective applicant wishes to submit a Project to increase and isolate the storage capacity of oysters. The Project would improve food safety, reduce bacterial risk, and increase storage capacity of post-harvest oysters.