Key Assistance Opportunity: USDA Opens Up Brief Application Window for $2 Billion to Specialty Crop Aid

Recently, the US Department of Agriculture announced they would be setting aside up to $2 billion in funds in support for the specialty crop industry. The Marketing Assistance for Specialty Crops (MASC) program will provide up to $125,000 in financial assistance to individual producers to help them manage higher costs and potentially reach new markets. Eligible crops include (but not limited to) fruits (fresh and dried), vegetables (including dry edible beans, peas, mushrooms, and seeds), tree nuts, nursery crops, culinary and medicinal herbs and spices, honey, hops, grass seed, and others.

Some of the eligibility requirements include:

- Must have an average adjusted gross income (AGI) of less than $900,000 for tax years 2021, 2022, and 2023, unless the producer or legal entity's average adjusted gross farm income is at least 75% of their average AGI.
- Be in the business of producing a specialty crop at the time of application and be entitled to an ownership share and share in the risk of producing a specialty crop that will be sold in calendar year 2025.
- Be a U.S. citizen, resident alien, partnership, corporation, limited liability company, or other organizational structure organized under state law, Indian Tribe or Tribal Organization, or a foreign person or foreign entity who meets certain eligibility requirements.
- Comply with the provisions of the "Highly Erodible Land and Wetland Conservation" regulations, often called the conservation compliance provisions; and
- Not having a controlled substance violation.

CAFB members are heavily encouraged to apply, should they believe their operations meet the eligibility requirements. **The application window is brief though, closing on January 8th.** You can click below for more information.

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MASC Portal

Corporate Transparency Act Enforcement Blocked Nationwide

Earlier this month, a district court in Washington DC issued a temporary injunction against the Treasury Department's enforcement of the Corporate Transparency Act (CTA), which originally required businesses to file a Beneficial Ownership Information Report (BOIR) by January 1, 2025. While a separate court case resulted in a more limited injunction, this particular court order applies to **all** businesses, nationwide. This means that companies who need to file a BOIR are no longer required to do so (for now).

The Treasury Department is appealing against the decision, meaning this injunction is not necessarily permanent—and further developments could once again put this requirement in place. They are also accepting voluntary submissions for those that have not already filed a report but would still like to do so. If you did not file a BOIR previously, but believe it would apply to you otherwise, please continue to check the BOIR portal for updates. We will also be sure to notify members should there be any new developments. Recent reports showed that there was a significant gap in received BOIRs compared to the estimated businesses it applied to. This led to speculation the January 1st deadline would need to be extended. Should the court order be changed, this still might be the case. Nevertheless, it would likely be useful for companies to be prepared to file one on quick notice. Staff Contact: Matthew Viohl; mviohl@cfbf.com

Monarch Butterfly Listing

On Thursday, December 12, the United States Fish and Wildlife Service (FWS) released its proposed rulemaking to list the Monarch Butterfly as a threatened species under the Federal Endangered Species Act (ESA). FWS also propose to designate critical habitat for the Monarch Butterfly under the ESA. In total, approximately 4,395 acres would be designated in Alameda, Marin, Monterey, San Luis Obispo, Santa Barbara, Santa Cruz, and Ventura counties. Two informational hearings have been scheduled on the rule making, followed by public hearings. FWS will be accepting comments on the proposed rule on or before March 12, 2025. Staff Contacts: Erin Huston, ehuston@cfbf.com, Kari Fischer, kfisher@cfbf.com, Richard Filgas, rfilgas@cfbf.com.

Congress Nears End of Session, Farm Bill to be Punted

With Congress set to try and finish prior to Christmas, lawmakers in DC have had a much less active lame duck period than expected. Some of this can likely be attributed to the election results, which will give Republicans a trifecta in control (House, Senate, and White House). Unfortunately, one of the casualties appears to be the Farm Bill. Instead of trying to get a full 5-year reauthorization passed, Congress looks to be close on getting a 1-year extension done instead. You may recall they did the same last year as well.

This will put Farm Bill back on the docket for the third year in a row, provided any last-minute deals alter this trajectory. As of late last week, Democrats proposed adding close to $10 billion to the extension, along with a few conservation dollars from the Inflation Reduction Act. It appears many in the House Freedom Caucus were pushing back on such a proposal though, and Speaker Mike Johnson (R-LA) also appeared to be against the idea. It remains to be seen what might happen in the waning days of session here. Disaster assistance and the Farm Bill remain top priorities, with this week expected to be a hectic one on the Hill. Staff Contact: Matthew Viohl; mviohl@cfbf.com

Adverse Effect Wage Rate Set to Increase Again

Late last month, USDA released their latest iteration of the Farm Labor Survey. This survey is what helps determine the Adverse Effect Wage Rate (AEWR) for the H-2A visa program. The AEWR is the base hourly wage rate, and for years, California has been the top paying state in the country. For 2025, this ignominious distinction will pass along to Hawaii with a $20.08 rate. California will be close behind in second though with a $19.97 AEWR, up 1.1% from $19.75 in 2024. Please note, for H-2A users, a new rule passed under the current administration will now see the wage rate get posted immediately, instead of allowing for a two-week buffer as had been historically allowed. Trying to reverse the broken calculation method for the AEWR has been a top priority of CAFB, with AFBF and other states rallying around freezing the AEWR this year as well. We will continue to update members as this progresses. Staff Contact: Matthew Viohl; mviohl@cfbf.com