

Frequently Asked Questions About the 2023 CDFA Healthy Soils Incentive Program (HSP)

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1. What is CDFA's Healthy Soils Incentive Program?

The Healthy Soils Incentive Program provides financial incentives to California growers and ranchers to implement agricultural management practices that sequester carbon, reduce atmospheric GHGs (GHGs) and improve soil health. The objectives of this program are to build soil resiliency, increase soil organic carbon, and reduce atmospheric GHGs.

2. What is the maximum amount of funds I can apply for?

You can apply for up to \$100,000 per application cycle.

3. How long will I have to complete my project?

The grant period is for three years, and you can complete the project within this duration.

4. What are some examples of practices that the HSP Incentives Program will fund?

Some examples of practices funded under the HSP incentives program include, but are not limited to: for cropland – cover crops, compost application, mulching, reduced or no-till, conservation crop rotation, and hedgerow planting. For orchards or vineyards – compost application, conservation cover, cover crop, hedgerow planting, and whole orchard recycling. For grazing lands – Compost Application to Grassland, hedgerow planting, prescribed grazing, range planting; silvopasture; and tree/shrub establishment.

5. What are some examples of practices that the HSP Incentives Program will NOT fund?

Grant funds cannot be used to implement practices other than those listed in the HSP Incentives Program Request for Grant Applications (RGA). Grant funds cannot be used to fund Assessor Parcel Numbers (APNs) with existing and ongoing implementation of any HSP Incentives Program agricultural management practices. Fields that have previously received HSP Incentives or Demonstration awards for a particular practice are not eligible to receive additional funding for the same practice. New fields within a previously funded APN, or new practices to be implemented on previously funded fields are eligible. Compost Application Practices cannot be implemented on APNs where soil organic matter content is greater than 20% by dry weight in top 20 cm (or 8 inch) depth. Grant funds cannot be used for projects that use potted plants or other plant growth media; the plants have to be grown in the soil.

6. I am interested in the Whole Orchard Recycling practice. Do I have to fallow my land or replant with trees within three years of the Whole Orchard Recycling practice?

Starting with the 2023 HSP grant cycle to allow for flexibility in cropping systems after implementing the Whole Orchard Recycling practice CDFA removed the following requirement: “Following woodchip incorporation, land must be fallowed or replanted with trees within 3 years.”.

7. Does the mulching – wood chips practice have to be implemented annually for three years?

For the 2023 HSP grant cycle, CDFA has revised the implementation requirements for the mulching – *wood chips* healthy soils practice. *Woodchip mulching* has been changed from an annual practice that needed to be implemented for three years to a one-time implemented practice. Further information about wood chip practice implementation can be found on pages 35 and 42 of the [HSP Request for Grant Applications](#).

8. Who can apply to CDFA’s Healthy Soils Incentive Program?

To apply to CDFA’s Healthy Soils Incentive Program a) The projects must be located on California agricultural operations, reduce agricultural GHGs, and sequester soil carbon; b) The applicant must have control of the land for the duration of the grant. A letter of agreement from the landowner for leased land is required; c) The awards are limited to one per agricultural operation using a unique tax identification number per round of funding; and d) The applicant must implement at least one HSP Agricultural Management Practice on land where it hasn’t been implemented previously in the past three years.

9. Where do I submit my application for funding?

You can apply on CDFA’s Healthy Soils Incentives Program page at the following website:
<https://www.cdfa.ca.gov/oefi/healthysouils/incentivesprogram.html>

10. What information should I gather if I am interested in applying to this program?

You would need to know what all practices you wish to apply for, the cropping history in the past three years for the land where the practices will be implemented, management history of the land in the past three years, APN numbers for the fields where the practices will be implemented, and if you lease land – you will need to have the landowner agreement letter signed by your landlord.

11. Can I apply even if I lease my land?

Yes, even if the land is publicly or privately owned and you lease the land, you can still apply for Healthy Soils Incentives Program Funding. You will need to provide proof that the landowner is aware of you applying for the grant and stating that you will have control of the land for the duration of the grant (i.e. landowner agreement letter is required).

12. Am I eligible for the HSP if I share an APN?

Yes, you are able to apply for HSP but you must be sure to specify what part of the APN *you* grow on (and plan to apply HSP practices on) in the CDFA RePlan Tool.

13. Am I eligible for the HSP if I am a non-profit organization?

Non-profit organizations can apply to the HSP Incentives program *only* if they are agricultural operations. See more information here:

https://www.cdfa.ca.gov/oefi/healthysouils/docs/HS_Incentive_Program_RGA_Draft_EFA-SAP_Aug2023.pdf

14. How does CDFA verify my project?

Verification will be conducted by CDFA environmental scientists who may conduct field evaluations by APN and/or remote evaluations through phone, video conferencing or emails to verify program compliance during the grant agreement term. If verification is done remotely you will have to submit the following information: soil samples analysis and receipts, 3-5 geotagged photos of practices being implemented, and if applying compost, attach company's certification and C:N ratio of compost.

15. How do I get paid?

Grant payment for the 2023 HSP Incentives Program is a flat-rate payment system on a reimbursement basis through yearly invoicing upon practice verification. For example, CDFA provides \$50 per ton of compost, if you purchase compost for \$30 you will still be reimbursed for the \$50. You may use the leftover \$20 for covering other costs such as shipping fees, labor costs to apply the compost, etc. or at your own discretion.

16. If there is leftover money from my flat-rate payment, do I get to keep it?

Yes, CDFA will reimburse you the flat-rate payment. If there is leftover money you may use it at your own discretion (e.g. pay labor costs, shipping costs, etc.).