STATE OF ALABAMA
2008 AQUACULTURE GRANT WORK PLAN

1. This program will be implemented by complying with all provisions stated in Aquaculture Grant Agreement.

2. Definition of Eligible Aquaculture Producer is a producer that in 2008 raised an aquaculture species for commercial use as part of a farming operation for which feed costs represented 25% of the input costs of the aquaculture operation and experienced at least a 25% price increase of feed costs above the states previous 5 year average feed price for the species. Currently maintains a commercial aquaculture operation and certifies that funds received under this program will be used for costs associated with this commercial aquaculture operation.

3. All eligible aquaculture producers shall submit an application with a certification by the feed mill that includes producer 2008 tonnage and 2008 average feed price and a producer certification with all required information to qualify for grant payment.

4. Loss requirements for each producer will be at least 25% increase in feed cost in 2008 compared to the states previous 5 year average feed price for the species and the loss requirement related to 25% of input costs of farming operation is feed costs.

5. The total amount of assistance that a person may receive from the funds made available under this and any other States agreement 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.

6. The payment rate shall be figured by subtracting the producers 2008 average feed price by the states previous 5 year average feed price for the species. After applying the payment limitations, if the total amount of benefits for all eligible applicants exceeds our grant amount, Alabama shall reduce the amount of assistance for each applicant on a pro rata basis.

7. Payment calculations for each producer will be figured by a per ton rate times tons purchased in 2008 up to total losses due to increased feed prices but not over the payment limitations. Checks to producers will be issued within 60 days of the State of Alabama receiving the Grant Funds.

8. The feed mills will furnish the State of Alabama the feed tonnage sold to each producer in Alabama and the average feed price for 2008 and the average price from 2003 to 2007.

9. Producer may not receive any assistance covered by the Supplemental Agricultural Disaster Assistance Programs established under section 531 of the Federal Crop Insurance

Act and section 901 of the Trade Act of 1974 for any losses in 2008 relating to the same species of aquaculture or **from another state for the same losses**.

10. The State of Alabama will compare information on producer application with information collected from feed mills and FSA county offices. The State will randomly conduct reviews and internal audits of this program. These reviews will be at least 5% of all applications and will include all feed mills.

11. The State of Alabama agrees to the reporting and registration requirements of the grant agreement including establishing a DUN's number and register in CCR database and ensure that producers that don't apply as individuals do the same.

12. Alabama's previous 5 year average feed price per ton is $237 for catfish, $460 for shrimp, $376 for tilapia and $540 for Game Fish.

STATE OF ALABAMA

DEPARTMENT OF AGRICULTURE AND INDUSTRIES

1445 Federal Drive
Montgomery, Alabama 36107-1123

Ron Sparks
Commissioner

Mailing Address:
Post Office Box 3336
Montgomery, AL 36109-0336

June 16, 2009

Dear Producer:

Under the American Recovery and Reinvestment Act of 2009, the Secretary of Agriculture has provided a grant to the State of Alabama. This grant is to assist eligible aquaculture producers for losses associated with high feed input costs during the 2008 calendar year.

In order to qualify for grant funds, commercial aquaculture producers must meet the following eligibility requirements; (1) In 2008 produced an aquaculture species for which feed cost represented a 25% of the input cost of the aquaculture operation, (2) In 2008 experienced at least a 25% price increase of feed costs above the states previous 5 year average feed price for the species, (3) In 2009 is currently in commercial aquaculture operation as of the date of their application with the State, (4) Submit an application and certification with all required information to the State of Alabama.(5) Applicants that are not individuals, must establish a Duns # and register in the CCR database.This can be done at www.grants.gov or www.dnb.com & www.ccr.gov/

To determine who is eligible, the Alabama Department of Agriculture and Industries is requesting qualified aquaculture producers to fill out and return the enclosed application and certification.Your 2008 feed tonnage and average price must be certified by your feedmill. **The application and certification must be postmarked or received by July 3, 2009**. Alabama's previous 5 year average feed price per ton is $237 for catfish, $460 for shrimp, $376 for tilapia and $540 for game fish.

I have enjoyed working with you over the years and truly appreciate all that you have done to build Alabama's aquaculture industry. Here at the Department, we are proud to be the administrators of this fund and hope that it will go a long way in helping the aquaculture industry in Alabama.

If you have any questions or need additional information, please call Joe Cowart at 1-800-642-7761 ext 7223.

Sincerely,

RonSparks,Commissioner
Alabama Department of Ag.& Ind.

"We provide employment & services without discrimination."

State of Alabama Application for Commercial Aquaculture Assistance 2008

This application must be received or post marked no later than July 3, 2009. This Aquaculture Assistance Program will be subject to a Federal and/or State audit. Please return to JOE COWART, P.O. BOX 3336, MONTGOMERY, AL 36109-0336.

Name:_____

Address:_____

_____

Phone(s):_____

County:_____

Tax ID # or SS#:_____

(If Tax ID#) **DUNS #** _____

FSA Farm No.:_____

Type of Aquaculture Production:(species)

_____

Contact Person_____

Feed purchased in 2008 _____ **tons** **Average price per ton in 2008 $**_____

Must submit a certification by feedmill of 2008 feed tonnage and 2008 average feed cost.

Are you an aquaculture producer in another state? ___**Yes** ___**No List all states**_____

The producers 2008 average feed cost must exceed Alabama's previous 5 year average feed cost by 25%. Catfish ave. $237 x 1.25 = $296 : Shrimp ave. $460 x 1.25 = $575 : Tilapia ave. $376 x 1.25 = $470 Game Fish ave. $540 x 1.25 = $675

PAYMENT CALCULATION

Producers 2008 Average Price per Ton _____

Minus Alabama's 2003-2007 (5-year) Average Price per Ton - _____

Equals Payment rate = _____

Multiplied by producers 2008 tons purchased x _____

Equals the amount a producer is eligible to receive before

applying payment limitations & payment factor, if applicable = _____

If applicable, a payment limitation of $100,000 will apply to the producers payment under this and any other States application.

(The next line will be completed by State of Alabama)

The amount producer is eligible to receive after payment limitations and payment factor, if applicable **$**_____

I hereby certify this information is true and correct. I understand that any false statements made can be subject to civil and/or criminal liability and sanctions.

_____ _____

Signature **Date**

Producer hereby certifies as follows:

A. In 2008, I raised an aquaculture species for which feed costs represented a 25% of the input costs of the aquaculture operation.

B. In 2008, I experienced at least a 25% price increase of feed costs above the states previous 5 year average feed price for the species.

C. I will not apply for or receive any assistance covered by the Supplemental Agricultural Disaster Assistance Programs established under section 531 of the Federal Crop Insurance Act and section 901 of the Trade Act of 1974 for any losses in 2008 relating to the same species of aquaculture.

D. As of the date of my application I do operate a commercial aquaculture operation and the funds received by me under this program will be used for cost associated with my current aquaculture farming operation.

E. Records on file for me at an applicable Farm Service Agency county office indicate:

   i. That my average adjusted gross income does not exceed $2.5 million for the three preceding tax years (2005-2007), as calculated under regulations in 7 CFR Part 1400; and

   ii. Compliance with the conservation compliance eligibility provisions for other programs found in 7 CFR Part 12.

F. If I apply other than as an individual, I will establish a DUNNS # and register in the CCR database.

G. Access will be provided by me as needed to assure compliance with the program including keeping records for 3 years and permitting the State of Alabama to inspect such records.

I hereby certify that this information is true and correct. I do further certify that I am a principal in the applying entity and that I am fully authorized to make and sign this on behalf of the applicant. I understand that any false statements made can be subject to civil and/or criminal liability and sanctions.

_____ Sign _____ Date