

Cotton and Wool Apparel Program (CAWA)





Welcome!

Agenda

- Program Authorization & Funding
- Definitions
- Eligibility
- Application Process
- Spot Checks
- Payments
- Q&A



Authorization for Program

The following are sources of authority for CAWA

- 15 U.S.C. 714c (CCC Charter Act)
- Notice of Funds Availability (NOFA); Cotton and Wool Apparel Program

Available Funding

- Apparel manufacturers \$35 million
- Wool fabric manufacturers and wool spinners \$10 million
- Pima cotton spinners \$5 million

Total = \$50 million



Definitions



Farm Service Agency

fsa.usda.gov

Apparel manufacturers

Domestic manufacturers and producers that use imported Pima cotton fabric (80s or higher count and 2-ply in warp) to manufacture men's and boys' woven Pima cotton shirts or domestic manufacturers and producers of men's and boys' worsted wool suits, suit-type jackets, or trousers that use imported fabrics containing 85 percent or more by weight of wool.

Consumption

- Pima Cotton the number of pounds of Pima cotton processed for U.S. ring spun Pima cotton yarns measuring less than 83.33 decitex (exceeding 120 metric number).
- Worsted Wool the number of pounds of wool top spun into worsted yarn and the number of pounds of wool yarn processed into worsted woven wool fabric, converted into wool top.

Deputy Administrator

Deputy Administrator for Farm Programs, Farm Service Agency, U.S. Department of Agriculture, or their designee.

Gross sales

The direct sale or wholesale of eligible products only in dollars.

Member of a controlled group

A subsidiary or otherwise affiliated company of a parent or holding company that has a history of participating in the wool and cotton trust fund programs. The applicant would be the parent or holding company for the purposes of this program.

Pima cotton spinner

A spinner that produces domestic ring spun Pima cotton yarns measuring less than 83.33 decitex (exceeding 120 metric number) in single and plied form.

Unique entity identifier (SAM UEI)

A number used to identify a specific entity. A System for Award Management (SAM) UEI number replaced the DUNS UEI number. The number can be obtained on SAM.gov. and is used to make payments to entities receiving government payments.

Wool fabric manufacturers and wool spinners

Domestic manufacturers and producers of woven worsted wool fabrics containing 85 percent or more by weight of wool or processors of imported wool yarn, fiber, and top that use such wool yarn, fiber, or top to manufacture in the United States.

Wool top

Wool fiber used for worsted manufacturing. It has undergone all major preprocessing steps and is ready for yarn spinning. To convert wool yarn to wool top, applicants should use the following conversion: 1 pound of wool yarn equates to 1.11 pounds of wool top.

United States

All 50 states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States.

Eligible Products – Apparel Manufacturers

Men's and boys' worsted wool suits, sport coats, or pants;

or

Men's and boys' Pima cotton dress shirts.

Note: The products must have been cut and sewn in the United States at a facility owned by the applicant or a member of its controlled group in the United States.

Eligible Products – Pima Cotton Spinners

Pima cotton for U.S. ring spun Pima cotton yarns measuring less than 83.33 decitex (exceeding 120 metric number) in single and plied form.

Eligible Products – Wool Fabric Manufacturers and Wool Spinners

- Yarn spun in the United States of a type used for worsted woven wool fabric;
- Worsted wool fabric woven in the United States; or
- Wool top spun into worsted yarn in the United States.

Applicant Eligibility

- Must have filed an affidavit for either the Pima Agriculture Cotton Trust Fund or Agriculture Wool Apparel Manufacturers Trust fund in any year from 2017 to 2021 and
- Be in operation on the date of application or have plans to restart domestic operations within a reasonable timeframe



Farm Service Agency

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Applicant Eligibility

- Have had at least a 15 percent decrease in calendar year 2020, compared to calendar year 2017, 2018, or 2019, in:
 - (a) Gross sales; or
 - (b) Consumption of the eligible products, except for apparel manufacturers
- Be an active entity on https://sam.gov and have a System for Award Management (SAM) UEI
- Is a legal entity with production and facilities located in the United States



Applicant Eligibility

An entity remains eligible if they:

- acquired a manufacturer or producer during any year in which gross sales or consumption is reported on application, or
- changed ownership and continues to manufacture the same products as a predecessor manufacturer that participated in a trust fund.

Application Process

FSA will accept applications from May 16, 2022 – June 17, 2022

Applications will be located at <u>USDA Pandemic Assistance for Producers | Farmers.gov</u>.

Applications must be submitted by email to CAWA@usda.gov beginning May 16, 2022

NOTE: Applications will be available to view May 13, 2022, however they **cannot** be signed and submitted prior to May 16, 2022.

Application Process

- FSA will cross-check applicant information with the most recent affidavits on file with FAS for the trust funds.
- If there is not a match, applicants will be required to provide documentation to verify they are authorized to represent the eligible entity, executed in accordance with any State laws that designate what officers, members, or managers are authorized signatories for signature authority on the form CCC-917.
- Documentation may include, but is not limited to, corporate charter, bylaws, articles of organization, partnership papers, signed corporate minutes, or resolution of the corporation's board of directors.

CCC-917 Application

							Expiration Date: 10/31/2022	CCC-917 (XX-XX-22)			Page 2 of 2
CCC-917			U.S. DEPARTMEN	IT OF AGRICULTURE			2. Application No.	PART C - APPLICANT CERTIFICATION STATEMEN	NT		
(XX-XX-22)			Commodity C	credit Corporation		2022			ents under CAWA to applicants who meet the requirements of the progr CAWA payment. By submitting this application, and upon its approve		ded in order for USDA to make
	cc	TTON AN	ID WOOL APPAREL PROGR	AM (CAWA) APPLICA	ATION			To comply with, and acknowledges the applicant is subjeand regulations.	ect to, all provisions of the Cotton and Wool Apparel Program in the Notice of	Funds Availability published in the Federal	l Register, and all applicable rules
714). The and Lock Records participa Public Edisplays time for an end of the control of the cont	e information will be used to del al government agencies. Tribal a Notice for USDA/FSA-2, Farm te in and receive benefits under Burden Statement (Paperwork a valid OMB control number. Ti reviewing instructions, searching	termine the appli agencies, and no Records File (Au the Cotton and Reduction Act) he valid OMB co. g existing data s): According to the Paperwork Reduction Act o introl number for this information collection is 05 ources, gathering and maintaining the data nee	tiks under the Cotton and Woof App zed access to the information by sit is voluntary. However, failure to fu if 1995, an agency may not conduct 560-0308. The time required to com ded, and completing and reviewing	arel Program. The information coll tute or regulation and/or as descr mish the requested information wi or sponsor, and a person is not re olete this information collection is	llected on this form may be on tibed in applicable Routine U ill result in a determination the equired to respond to, a colle estimated to average 60 min	disclosed to other Federal, State, lses identified in the System of hat the applicant is unable to action of information unless it nutes per response, including the	That the applicant had a 15 percent or greater decline wit Apparel manufacturers, gross sales for men's Pima cotton spinners, either: Gross sales of U.S. ring spun Pima cotton.	nufacturer, Pima cotton spinner, wool fabric manufacturer, and/or wool spinner, en comparing calendar year 2020 to calendar year 2017, 2018, or 2019, for: and boys' worsted wool suits, sport coats, and/or pants, and/or cotton dress shir on yams measuring less than 83.33 decitex (exceeding 120 metric number) in si for U.S. ring spun Pima cotton yams measuring less than 83.33 decitex (exceed	ngle and plied form, or	1 form
110000000000000000000000000000000000000			RETURÑ THIS COMPLETED FORM TO CAW	A@usda.gov.				 Wool fabric manufacturers and/or spinners, ei 	ther:		
PART A – APP 3. Applicant's Nar	LICANT INFORMATION		4. Address (City and State, Include Zip C	(ode)	5. Phone Number (Include Area Code)	6. SAM UEI		States Consumption in pounds by U.S. operati That the applicant has filed an affidavit for either the Pin	states of a type used for worsted woven wool fabric, worsted wool fabric wover one of wool top spun into worsted yam and/or wool yam processed into worste an Agriculture Cotton Trust Fund or Agriculture Wool Apparel Manufacturers' in one operation or has plans to restart domestic operations within a reasonable time	d woven wool fabric, converted into wool Trust Fund in any year from 2017 to 2021.	top.
7. Contact Name			8. Address (City and State, Include Zip C	(ode)	9. Phone Number (Include Area Code)	10. Email Address		manufacturer, or wool spinner. If the applicant has plana use of the assistance and that business plan must be deter 6. If requested by FSA, provide to USDA all information n to all documents and records of the applicant. If signature	in operation or has pinals or result conserved operations within a reasonated to the restart domestic operations within a reasonable timeframe, to be eligible the mined acceptable by the Deputy Administrator of Farm Programs. eccessary to verify that the information provided on this form is accurate and all reasonably documentation or other supporting documentation is requested, the entity to timely submit all information requested may result in no awarent or	e applicant must submit a business plan, at ow representatives of USDA or the Govern applicant agrees to submit all requested do	the time of application, showing the iment Accountability Office access
PART B - S GF	ROSS SALES AND CON	ISUMPTION	INFORMATION					request. I and e of an individual, entity, of member of an	entity to timely submit all information requested may result in no payment of a	reduced payment.	
11. Business Type	12. Pandemic impact on gross sales or consumption (%)	13. Identify` 2017, 201 2019	Year Gross sales 18, or (in dollars) from year in	15. Consumption (in pounds) from year in Column 13	16. Agency adjusted 2017/2018/2019 gross (For CCC use on	s sales 2017	17. Agency adjusted 7/2018/2019 consumption (For CCC use only)		formation may result in the invalidation of this application, a determination of r		
Manufacturer								form, I further acknowledge and understand that any f	alse representation or claims are subject to civil and criminal penalties includin	g, but not limited to, those under 18 U.S.C.	. 1001.
Pima Cotton Spinner								18A. Applicant's Signature (By)	18B. Title/Relationship of the Individual Signing in the R	epresentative Capacity	18C. Date (MM-DD-YYYY)
Wool Fabric											
Manufacturer and/or Spinner								PART D - DEPUTY ADMINISTRATOR FOR FARM P 19A. DAFP or Designee Signature	ROGRAMS (DAFP) DETERMINATION 19B. Title of Designee, if applicable	19C. Date (MM-DD-YYYY)	19D. Determination:
F	4id4iI			li4i 4-		Date Star	mp	19A. DAPP of Designee Signature	196. Title of Designee, If applicable	19C. Date (MM-DD-YYYY)	APPROVED DISAPPROVED
CAWA@usc		ase emai	I completed and signed app	nications to				discriminating based on race, color, national origin, religion, sex, gender iden retaliation for prior civil rights activity, in any program or activity conducted or Persons with disabilities who require alternative means of communication for	er (USDA), chil rights regulations and posicis, the USDA, its Agencies, offices, and amployees they including gender expression), secusal orientation, disability, age, markal status, family plan included by USDA, incl all bases apply to all programs). Remarkels and complaint filing dwaldin program information (e.g., Braille, jurge print, audiotape, American Spu Language, etc.) show Additionally, program information may be made available in languages other than Engish.	ental status, income derived from a public assistant as vary by program or incident.	SDA programs are prohibited from ce program, political beliefs, or reprisal or

To file a program discrimination complaint, complete the UDDA Program Discrimination Complaint form, AD-0027, found online at https://dx.doi.org/10.1007/10.10

Completing CCC-917 PART A

PART A - APPLICANT INFORMATION			
3. Applicant's Name	4. Address (City and State, Include Zip Code)	5. Phone Number (Include Area Code)	6. SAM UEI
7. Contact Name	8. Address (City and State, Include Zip Code)	9. Phone Number (Include Area Code)	10. Email Address

- The applicant will complete part A completely.
- Item 6 may be obtained from SAM.gov and is required for a payment to be issued.
- Item 7 is who FSA may contact regarding the application.

Completing CCC-917 PART B

11.	12.	13.	14.	15.	16.	17.
Business Type	Pandemic impact on gross sales or consumption (%)	Identify Year 2017, 2018, or 2019	Gross sales (in dollars) from year in Column 13	Consumption (in pounds) from year in Column 13	Agency adjusted 2017/2018/2019 gross sales (For CCC use only)	Agency adjusted 2017/2018/2019 consumption (For CCC use only)
Apparel Manufacturer						
Pima Cotton Spinner						
Wool Fabric Manufacturer and/or Spinner						

Item 11 indicates what the Business type is. Only complete the line for the applicable Business type of the applicant.

Completing CCC-917 PART B Continued

11.	12.	13.	14.	15.	16.	17.
Business Type	Pandemic impact on	Identify Year	Gross sales	Consumption	Agency adjusted	Agency adjusted
	gross sales or	2017, 2018, or	(in dollars) from year in	(in pounds) from year in	2017/2018/2019 gross sales	2017/2018/2019 consumption
	consumption (%)	2019	Column 13	Column 13	(For CCC use only)	(For CCC use only)
Apparel						
Manufacturer						
Pima Cotton						
Spinner						
Wool Fabric						
Manufacturer						
and/or Spinner						

Item 12 is the percent decrease in calendar year 2020 when compared to calendar year 2017, 2018, or 2019 (applicant can select the year to compare against)

- Apparel manufacturers must use gross sales to calculate the percent decrease.
- Pima Cotton Spinners and Wool Fabric Manufacturers and/or Spinners may use gross sales or consumption to calculate the percent decrease.

Example: 2020 Gross Sales is \$500,000; 2017 Gross Sales is \$750,000. The percentage decrease is calculated by (\$750,000 minus \$500,000) divided by \$750,000 equals a 33.3% decrease in calendar year 2020 compared to 2017.

Completing CCC-917 PART B Continued

PART B - S GRO	OSS SALES AND CON	SUMPTION INFORM	IATION				
11. Business Type	12. Pandemic impact on gross sales or consumption (%)	13. Identify Year 2017, 2018, or 2019	14. Gross sales (in dollars) from year in Column 13	15. Consumption (in pounds) from year in Column 13	16. Agency adjusted 2017/2018/2019 gross sales (For CCC use only)	17. Agency adjusted 2017/2018/2019 consumption (For CCC use only)	
Apparel Manufacturer							
Pima Cotton Spinner							
Wool Fabric Manufacturer and/or Spinner				_			

Item 13 is the year for which gross sales or consumption is being reported for.

Applicants may choose from calendar years 2017, 2018, or 2019.

Completing CCC-917 PART B Continued

11.	12.	13.	14.	15.	16.	17.
Business Type	Pandemic impact on	Identify Year	Gross sales	Consumption	Agency adjusted	Agency adjusted
	gross sales or	2017, 2018, or	(in dollars) from year in	(in pounds) from year in	2017/2018/2019 gross sales	2017/2018/2019 consumption
	consumption (%)	2019	Column 13	Column 13	(For CCC use only)	(For CCC use only)
Apparel						
Manufacturer						
Pima Cotton						
Spinner						
Wool Fabric						
Manufacturer						
and/or Spinner						

Item 14 must be completed for Apparel Manufacturers. This is Gross sales in dollars for eligible products only from the year identified in item 13.

Item 15 must be completed for Pima Cotton Spinners and Wool Fabric Manufacturers and/or Spinners. This is consumption in pounds of eligible products only for the year identified in item 13.

Important: When reporting consumption, a wool yarn spinner will report the total number of wool top pounds processed, and a wool fabric manufacturer will convert total pounds of wool yarn processed into wool top and then report the total number of wool top pounds processed.



Completing CCC-917 PART C

PART C - APPLICANT CERTIFICATION STATEMENT

The Department of Agriculture (USDA) will make payments under CAWA to applicants who meet the requirements of the program. The following information is needed in order for USDA to make a determination that the applicant is eligible to receive a CAWA payment. By submitting this application, and upon its approval by USDA, the applicant agrees:

- To comply with, and acknowledges the applicant is subject to, all provisions of the Cotton and Wool Apparel Program in the Notice of Funds Availability published in the Federal Register, and all applicable rules and regulations.
- 2. That the applicant meets the definition of an apparel manufacturer, Pima cotton spinner, wool fabric manufacturer, and/or wool spinner.
- That the applicant had a 15 percent or greater decline when comparing calendar year 2020 to calendar year 2017, 2018, or 2019, for:
 - Apparel manufacturers, gross sales for men's and boys' worsted wool suits, sport coats, and/or pants, and/or cotton dress shirts
 - Pima cotton spinners, either:
 - Gross sales of U.S. ring spun Pima cotton varus measuring less than 83.33 decitex (exceeding 120 metric number) in single and plied form, or
 - Consumption in pounds of Pima cotton for U.S. ring spun Pima cotton yarns measuring less than 83.33 decitex (exceeding 120 metric number) in single and plied form
 - · Wool fabric manufacturers and/or spinners, either:
 - Gross sales of yarn spun in the United States of a type used for worsted woven wool fabric, worsted wool fabric woven in the United States, and/or wool top spun into worsted yarn in the United States.
 - Consumption in pounds by U.S. operations of wool top spun into worsted yarn and/or wool yarn processed into worsted woven wool fabric, converted into wool top.
- That the applicant has filed an affidavit for either the Pima Agriculture Cotton Trust Fund or Agriculture Wool Apparel Manufacturers Trust Fund in any year from 2017 to 2021.
- 5. That at the time of application the applicant is currently in operation or has plans to restart domestic operations within a reasonable timeframe as an apparel manufacturer, Pima cotton spinner, wool fabric manufacturer, or wool spinner. If the applicant has plans to restart domestic operations within a reasonable timeframe, to be eligible the applicant must submit a business plan, at the time of application, showing the use of the assistance and that business plan must be determined acceptable by the Deputy Administrator of Farm Programs.
- 6. If requested by FSA, provide to USDA all information necessary to verify that the information provided on this form is accurate and allow representatives of USDA or the Government Accountability Office access to all documents and records of the applicant. If signature authority documentation or other supporting documentation is requested, the applicant agrees to submit all requested documents within 30 days from the request. Failure of an individual, entity, or member of an entity to timely submit all information requested may result in no payment or a reduced payment.

I certify that:

- The above information provided on this application is true and correct.
- I understand that failure to provide true and correct information may result in the invalidation of this application, a determination of noncompliance or ineligibility, or other remedies or sanctions. By signing this form, I further acknowledge and understand that any false representation or claims are subject to civil and criminal penalties including, but not limited to, those under 18 U.S.C. 1001.

18A. Applicant's Signature (By) 18B. Title/Relationship of the Individual Signing in the Representative Capacity 18C. Date (MM-DD-YYYY)

Farm Service Agency

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Completing CCC-917 PART C

By signing in 18A the applicant is agreeing to the following:

- 1. Comply and follow all provisions of the Cotton and Wool Apparel Program Notice of Funds Availability
- 2. Meets the definition of an apparel manufacturer, Pima cotton spinner, wool fabric manufacturer and/or wool spinner
- 3. Had a 15 percent or greater decline when comparing calendar year 2020 to calendar year 2017, 2018 or 2019
- 4. Filed an affidavit for either the Pima Agriculture Cotton Trust Fund or Agriculture Wool Apparel Manufacturers Trust fund in any year from 2017 2021
- 5. In business or plans to restart domestic operations
- 6. To provide USDA all information necessary to verify information is accurate, and to submit all requested supporting documentation or signature authority documentation.

 Service Agency

Completing CCC-917 PART C Continued

By signing in 18A the applicant is certifying to the following:

- 1. Information on the form is true and correct
- 2. That failure to provide true and correct information may result in the invalidation of this application, a determination of noncompliance or ineligibility, or other remedies or sanctions. By signing this form, the applicant further acknowledges and understands that any false representation or claims are subject to civil and criminal penalties including, but not limited to, those under 18 U.S.C. 1001.

Farm Service Agency

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Completing CCC-917 PART C Continued

	18A. Applicant's Signature (By)	18B. Title/Relationship of the Individual Signing in the Representative Capacity	18C. Date (MM-DD-YYYY)				
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- 18A Manually enter the applicant signature, a digital signature or stamp will not be accepted.
- 18B Enter the representative title/relationship to the entity.
- 18C Enter the date the form is signed.

Note: Signature authority documentation may be requested if signatures are different than the most recent submitted affidavits for the Pima Agriculture Cotton Trust Fund or the Agriculture Wool Apparel Manufacturers Trust fund.



NOTE: Any entity that is under common control with another manufacturer or producer during any year in which sales or production are relevant to an application may only submit one application for all members of the controlled group unless otherwise permitted by the Secretary.

Spot Checks

The random spot check selections will be made after the conclusion of sign up.

All gross sales and consumption are based on the applicant's certification and are subject to spot check.





Supporting Documentation

If requested by FSA, the applicant must:

- provide supporting documentation to verify the accuracy of information provided on the application, including to substantiate the gross sales or consumption, and documentation that demonstrates the application is not for an entity that is under common control with another manufacturer or producer during any year in which sales or production are relevant to an application.
- submit any supporting documentation that is requested to FSA within 30 days from the request or the application will be disapproved by FSA.
- retain documentation in support of their application for 3 years after the date of approval.

Payments

- All payments are figured on relative gross sales or consumption (depending on business type).
- A proportionate share is figured by dividing the applicants' gross sales or consumption by the total of all gross sales or consumption to obtain a pre-pandemic market share for each applicant by business type.
- Are calculated without regard for which of the three years is reported by each applicant.



Payment Calculation - Apparel Manufacturers

- A payment of \$50,000;
- Plus, the proportionate share of the balance of funds available based on pre-pandemic market share measured by gross sales and adjusted for remaining applicants in the funding category as entities reach the payment limit.
- Payments will not exceed \$8 million for each entity



Payment Calculation – Pima Cotton Spinners

- A payment of \$50,000;
- Plus, the proportionate share of the balance of funds available based on pre-pandemic market share measured by consumption and adjusted for remaining applicants in the funding category as entities reach the payment limit.
- Payments will not exceed \$2.5 million for each entity



Payment Calculation – Wool Fabric Manufacturers and Wool Spinners

- A payment of \$50,000;
- Plus, the proportionate share of the balance of funds available based on pre-pandemic market share measured by consumption and adjusted for remaining applicants in the funding category as entities reach the payment limit.
- Payments will not exceed \$5 million for each entity



Miscellaneous Provisions

- Payments will not be issued until after the signup period is closed
- All payments will be issued by direct deposit using the account loaded in SAM.gov
- Payments will be issued one time for total amount due to an applicant
- In the event that any application for a CAWA payment resulted in an incorrect payment due to erroneous information reported by the applicant, the payment will be recalculated, and the applicant must refund any excess payment to FSA, including interest, to be calculated from the date of the disbursement to the applicant. If, for any reason, FSA determines that the applicant misrepresented the gross sales or consumption loss, the application will be disapproved, and the applicant must refund the full CAWA payment to FSA, with interest, from the date of disbursement.
- Any required refunds must be resolved in accordance with 7 CFR part 3.

Summary Reminders

- Program runs May 16 June 17
- Find applications on farmers.gov
- National Office is managing program
- Submissions must go to email: <u>CAWA@usda.gov</u>
 - General questions regarding applications or the program can be sent to this same address



Contact outreach staff via email at:

FSAOutreach@usda.gov



Questions?

