

# **Grant Guidelines: Grant program for the on-farm production and delivery of live, native microalgae to benefit soil health**

## **PURPOSE**

The Washington State Legislature appropriated \$5,000,000 in Fiscal Year 2025 to the Washington State Department of Agriculture for the purpose of increasing research tools and on-farm technology available to reduce carbon emissions, increase carbon storage, and improve on-farm climate resiliency. \$2,370,000 of these funds are now available from WSDA to producers through **a grant program to cover the installation and operation of on-farm technology that produces and delivers live, native microalgae to the farm through the existing irrigation system.**

The purpose of the legislature in appropriating funds and authorizing the grant to farmers is to promote:

- Increasing quantifiable carbon storage
- Improving soil health and climate resiliency through new tools and supporting data
- Identification of tools needed for agricultural viability
- Quantifiable reductions in greenhouse gas emissions from farms

## **OVERVIEW**

WSDA is administering the live, native microalgae production and delivery systems grant program by allowing eligible farms to apply through an online portal for a grant to cover the installation and operation of an On-Farm System. To ease the administrative burden for the Farm Business, the Service Provider is permitted to submit the application for the grant.

## **TIMELINE**

The grant program will open on February 12, 2025, and remain open until all available funds are awarded, or on June 30, 2027, whichever is earlier.

## **HOW FUNDS WILL BE AWARDED**

WSDA will begin accepting applications for On-Farm System grants beginning February 10, 2025.

WSDA will review applications on a rolling basis, in the order they are received, to assess the eligibility of the Farm Business and the grant request. Eligibility will be determined within one business day of application submission.

WSDA will issue grant payments directly to approved projects on a first come, first serve basis, subject to the following restrictions:

- Only one application per Farm Business will be approved.
- The maximum reimbursement amount is \$375,000 per Farm Business. There is no minimum reimbursement amount.

- Upon approval of an application, WSDA will issue grant payment per the information associated with the applicant's [Statewide Vendor Number](#) (SVW #).
- Grant payments are considered taxable for the Grant Recipient. A 1099-G tax form for 2025 will be delivered to each Grant Recipient. Applicants should consult their tax professionals to further understand the tax implications for their business.

WSDA will issue a notification on the [grant website](#) when the grant funds have all been awarded and the grant is closed.

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## ELIGIBILITY QUALIFICATIONS

To be eligible to participate in the grant program, the Farm Business must meet the following criteria:

- The Farm Business is contracted to receive an On-Farm System.
- The Farm Business must take delivery of the On-Farm System prior to June 30, 2025.
- The Farm Business generates less than \$3,500,000 in annual revenue.
- The applicant identifies the farm's location on the Department of Health Environmental Health Disparities Map and provides their score <https://fortress.wa.gov/doh/wtnibl/WTNIBL/Map/EHD>
- The applicant is registered with a current Statewide Vendor Number ([SWV](#) #), Unified Business Identifier number ([UBI](#)) for Washington State or equivalent Tribally recognized documentation, and is in good standing with any federal or state department or agency. Multiple applications can be submitted by a Service Provider, subject to the restrictions set forth above.

## DEFINITIONS

*“Farm Business”* means the farming operation associated with a specific EIN or tax ID.

*“Grant Recipient”* means an individual or entity receiving funding under this grant program.

*“Grant Program”* means WSDA's grant program for the on-farm production and delivery of live, native microalgae to benefit soil health.

*“Live, native microalgae”* means one or more microalgal species identified on the farm noted in the application.

*“On-Farm System”* means a microalgae production system that is placed on the farm to cultivate and deliver live, native microalgae to the farm's soil through the existing irrigation equipment.

“*Service Provider*” means the entity engaged by the Farm Business to provide the On-Farm System through an executed service agreement.

## **RECORDKEEPING RESPONSIBILITIES**

Grant Recipient must acknowledge and agree to having and maintaining appropriate service agreements associated with the On-Farm System.

Grant Recipient must retain records for at least six (6) years following the date of final payment and must provide those records to WSDA or the Office of the State Auditor within a reasonable period at no cost upon request. If any litigation, claim, or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

If Grant Recipient fails to provide this documentation in a timely manner, acts fraudulently, violates any requirements of the grant program, or fails to comply with state laws or policies related to the grant and proffered service, WSDA reserves the right to recapture all funds disbursed to Grant Recipient, in addition to any other remedies available at law or in equity.

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## **APPLICATION PROCESS STEPS**

1. WSDA will open the application portal for qualifying Farm Businesses and Service Providers to apply for grants for the Grant Program through an online form linked on the [grant website](#).
2. WSDA will review completed applications for adherence with program requirements on a rolling basis, based on the time and date that the application is received.
3. Upon approval of an application, WSDA will issue payment via check or Electronic Funds Transfer (direct deposit) via the information associated with the applicant’s Statewide Vendor Number.
4. All Grant Recipients will agree to these Grant Guidelines and the General Terms and Conditions listed below in [Exhibit A](#).

## **Exhibit A: GENERAL TERMS AND CONDITIONS**

### *DEFINITIONS*

As used throughout these General Terms and Conditions (the “*Terms and Conditions*”), the following terms have the following meanings:

“*Agency*” means the Washington State Department of Agriculture, any division, section, office, unit or other entity of the Agency, or any of the officers or other officials lawfully representing that Agency.

“*Confidential Information*” means information identified as confidential or exempt from public disclosure. The term also includes Personal Information regardless of whether such information has been identified as confidential or exempt from disclosure.

“*Director*” means the Agency’s Director, or any delegate authorized to act on the Director’s behalf.

“*Grant Award*” means the award of funding to a Grant Recipient under the Grant Program.

“*Grant Program*” means the Agency’s grant program for the on-farm production and delivery of live, native microalgae to benefit soil health.

“*Grant Program Guidelines*” refers to the grant guidelines published by the Agency in connection with the Grant Program.

“*Grant Recipient*” means the individual or entity receiving grant funding from Agency through the Grant Program.

“*Personal Information*” means information identifiable to any person, including, but not limited to, information that relates to a person’s name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers or Protected Health Information as defined by the federal Health Insurance Portability and Accountability Act Pub. L. No. 104-191, § 264, 110 Stat. 1936, any financial identifiers, and other information that may be exempt from public disclosure or other unauthorized persons under state and federal statutes.

“*Subcontractor*” means one not in the employment of the Awardee, who is performing all or part of those services in connection with the Grant Award under a separate contract with the Grant Recipient. The terms “Subcontractor” and “Subcontractors” mean Subcontractor(s) in any tier.

### *ACCESS TO DATA*

In compliance with chapter 39.26 RCW, the Grant Recipient must provide access to data generated in connection with the Grant Award to the Agency, the Joint Legislative Audit and Review Committee, and the State Auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the Grant Recipient’s reports, including computer models and methodology for those models.

*AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336 (“ADA”) 28 CFR Part 35*

The Grant Recipient must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

#### *ATTORNEYS' FEES*

In the event of litigation or other action brought to enforce Grant Program terms, each party bears its own attorney fees and costs.

#### *CALCULATION OF TIME*

Unless otherwise specified, a time period prescribed in the Grant Program Guidelines is in calendar days, begins to run the day after the date of the triggering act or event, and ends at 5:00 p.m. on the last day of the period. When the last day is a Saturday, Sunday, or legal holiday, the period of time ends at 5:00 p.m. on the next day that is not a Saturday, Sunday, or legal holiday.

#### *CONFIDENTIALITY/SAFEGUARDING INFORMATION*

The Grant Recipient must not use or disclose any information concerning the Agency for any purpose not directly connected with the administration of the Grant Award, except with prior written consent of the Agency or as may be required by law.

The Grant Recipient must not release, divulge, publish, transfer, sell, or otherwise make known to unauthorized persons, including anyone not directly employed by the Grant Recipient, Confidential Information without the express written consent of the Agency or as otherwise required by law. The Grant Recipient must protect Confidential Information, collected, used, or acquired in connection with the Grant Award against unauthorized use, disclosure, modification, or loss. The Grant Recipient must ensure its directors, officers, employees, subcontractors or agents use Confidential Information solely for the purposes of accomplishing the purposes of the Grant Award.

Any breach of this provision may result in the termination of the Grant Award and the demand for the return of all Confidential Information. The Contractor indemnifies and holds harmless the Agency for any damages related to the Contractor's unauthorized use of Confidential Information.

#### *COPYRIGHT PROVISIONS*

Provided that the deliverables required in connection with the Grant Award are produced in substantial compliance with the Grant Program Guidelines the Agency disclaims any ownership interest in all other materials produced in connection with the Grant Award, and "Work Product" including, without limitation, document, data, studies, surveys, drawings, maps, photographs and any objects or source code for any software developed pursuant to or in connection with the Grant Award, as well as any copyrights, patents, trade secrets, trademarks or other intellectual property developed for or in connection with the Grant Award, shall be exclusively owned by and be the exclusive property of the Grant Recipient and/or its Subcontractors (as determined between the Grant Recipient and its Subcontractors).

Notwithstanding the foregoing, the Agency shall have a nonexclusive, royalty-free, irrevocable license and right to translate, reproduce, sublicense on the terms set forth herein, prepare derivative works, publicly perform, and publicly display the Project Reports (as defined below).

“Project Reports” mean the reports and other information required to be submitted by the Grant Recipient to the Agency in connection with the Grant Program. Project Reports will not contain Confidential Information or Work Product.

#### *COVENANT AGAINST CONTINGENT FEES*

Grant Recipient warrants that no person or selling agent has been employed or retained to solicit or secure the Grant Award upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agents maintained by Grant Recipient for the purpose of securing business. In the event of the Grant Recipient’s breach of this clause, the Agency has the right to annul the Grant Award without liability. In lieu of annulling the Grant Award, the Agency may deduct the full amount of such commission, percentage, brokerage, or contingent fee from the Grant Award amount.

#### *CUMULATIVE RIGHTS AND REMEDIES*

The rights and remedies of the Agency provided herein are cumulative and not exclusive. The exercise of any right or remedy does not preclude the exercise of any other rights or remedies is available at law, regardless of whether the right or remedy is available at the time of the Grant Award.

#### *DISPUTES*

When a dispute arises between the Agency and Grant Recipient that cannot be resolved by direct negotiation, either party may request a dispute hearing with the Director.

The request for a dispute hearing must:

1. Be in writing;
2. State the disputed issue(s);
3. State the relative positions of the parties;
4. State the Grant Recipient’s name and address; and
5. Be mailed to the Director and the other party’s (respondent’s) representative within 3 days after the parties agree that they cannot resolve the dispute.

The respondent must send a written answer to the requester’s statement to the Director and the requester within 5 days. The Director must review the written statements and reply in writing to both parties within 10 days. The Director may extend this period by notifying the parties. This dispute process precedes any action in a judicial or quasi-judicial tribunal. Nothing in this section limits the parties’ choice of a mutually acceptable alternate dispute resolution method in addition to the dispute resolution procedure outlined above.

#### *DUPLICATE PAYMENT*

Grant Recipient must not charge the Agency for services and expenses that Grant Recipient has charged or will charge to the State of Washington or any other party under any other contract or agreement. The Agency is not liable for payment of such charges.

#### *ELECTRONIC SIGNATURES & RECORDS*

An electronic signature or electronic record of the Grant Award or any other ancillary agreement shall be deemed to have the same legal effect as an original executed copy.

#### *EXECUTIVE ORDER 18-03 – WORKERS’ RIGHTS*

Grant Recipient represents and warrants that Grant Recipient does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers. Grant Recipient further represents and warrants that during the term of the Grant Program, Contractor will not require its employees to sign or agree to mandatory individual arbitration clauses or class or collective action waivers as a condition of employment.

#### *FORCE MAJEURE*

Except for the obligation to pay amounts when due under the Grant Program, neither party will be liable to the other for damages due to a failure to carry out its obligations under the Grant Program when that failure is in whole or part caused by fire, hurricane, flood, earthquake, lightning, or other natural event or disaster, including an epidemic or pandemic; freight embargo; governmental or administrative prohibition; riot; strike (other than at the affected party’s operations or that of its suppliers); acts of public enemies or terrorists; sabotage; or other events beyond that party’s reasonable control (a “force majeure event”). A party affected by a force majeure event immediately shall notify the other, describing the event and estimating its duration.

#### *GOVERNING LAW AND VENUE*

The Grant Award must be construed and interpreted in accordance with the laws of the State of Washington, and the venue of any action brought in connection with the Grant Award is proper only in the Superior Court for Thurston County.

#### *INDEMNIFICATION*

To the fullest extent permitted by law, Grant Recipient must indemnify, defend, and hold harmless the State and its agencies, officials, agents, or employees, from and against all claims for injuries or deaths arising out of or resulting from the performance of the Grant Award. “Claim,” as used herein, means any financial loss, claim, suite, action, damage, or expense, including but not limited to attorney’s fees, attributable for bodily injury, sickness, disease, or death, or injury to or destruction of tangible property including loss of use resulting thereby.

Grant’s Recipient’s obligations to indemnify, defend, and hold harmless includes any claim by Grant Recipient’s agents, employees, representatives, or any subcontractor or its employees.

Grant Recipient expressly agrees to indemnify, defend, and hold harmless the State for any claim

arising out of or incident to Grant Recipient's or any subcontractor's performance or failure to perform the Grant Award. Grant Recipient's obligation to indemnify, defend, and hold harmless the State is not eliminated or reduced by any actual or alleged concurrent negligence of State and its agencies, officials, agents, or employees.

Grant Recipient waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents, or employees.

#### *INDEPENDENT CAPACITY OF THE GRANT RECIPIENT*

The parties intend the Grant Award to create an independent contractor relationship. Grant Recipient and its employees or agents performing under the Grant Award are not employees or agents of the Agency. Grant Recipient will not hold itself out as, nor claim to be, an officer or employee of the Agency or of the State of Washington by reason of the Grant Award, nor will Grant Recipient make any claim of right, privilege or benefit which would accrue to such employee under law. Grant Recipient is solely responsible for conduct and control of the work.

#### *INDUSTRIAL INSURANCE COVERAGE*

Grant Recipient must comply with the provisions of Title 51 RCW, Industrial Insurance. If Grant Recipient fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, the Agency may collect from Grant Recipient the full amount payable to the Industrial Insurance accident fund. The Agency may deduct the amount owed by Grant Recipient to the accident fund from the amount payable to Grant Recipient by the Agency under the Grant Award, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any of L&I's rights to collect from Grant Recipient.

#### *LICENSING, ACCREDITATION, AND REGISTRATION*

Grant Recipient must comply with all applicable local, state, and federal licensing and accrediting requirements / standards, necessary in the performance of the Grant Award.

#### *LIMITATION OF SIGNATURE AUTHORITY*

Neither the Agency nor Grant Recipient will be liable to the other for special, consequential, indirect, or incidental damages, including without limitation lost profits, business opportunities or goodwill, as a result of its performance or nonperformance of the Grant Award. The Agency's liability arising from the Grant Award shall not exceed the total amount of funding paid by the Agency to Grant Recipient under the Grant Award.

#### *NONDISCRIMINATION*

- a. Nondiscrimination Requirement. During the term of the Grant Program, Grant Recipient, including any subcontractor, shall not discriminate on the bases enumerated at RCW 49.60.530(3). In addition, Grant Recipient, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Grant Recipient, or subcontractor, has a collective bargaining or other agreement.



b. Obligation to Cooperate. Grant Recipient, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Grant Recipient, including any subcontractor, has engaged in discrimination prohibited by the Grant Award pursuant to RCW 49.60.530(3).

c. Default. Notwithstanding any provision to the contrary, Agency may suspend Grant Recipient, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by the Grant Program, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until Agency receives notification that Grant Recipient, including any subcontractor, is cooperating with the investigating state agency. In the event Grant Recipient, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), Agency may terminate the Grant Program in whole or in part, and Grant Recipient, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Grant Recipient or subcontractor may be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.

d. Remedies for Breach. Notwithstanding any provision to the contrary, in the event of Grant Award termination or suspension for engaging in discrimination, Grant Recipient, subcontractor, or both, shall be liable for contract damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. Agency shall have the right to deduct from any monies due to Grant Recipient or subcontractor, or that thereafter become due, an amount for damages Grant Recipient or subcontractor will owe Agency for default under this provision.

#### *PROPRIETARY INFORMATION*

The Agency is subject to chapter 42.56 RCW, the Public Records Act. The Grant Award and any documents Grant Recipient submits to the Agency under the Grant Award is a public record as defined in RCW 42.56. If Grant Recipient submits any information to the Agency that Grant Recipient claims to be confidential or proprietary, Grant Recipient must clearly identify the information as such. To the extent consistent with chapter 42.56 RCW, the Agency will maintain the confidentiality of all such information marked confidential or proprietary. If the scope of a request made pursuant to RCW 42.56 includes the Grant Recipient's proprietary or confidential information and the Agency intends to release the information, the Agency will notify Grant Recipient of the request and the date the records will be released to the requester. If Grant Recipient desires to prevent disclosure, Grant Recipient must obtain a court order enjoining disclosure. If Grant Recipient fails to obtain such court order, the Agency will release the requested information.

#### *PUBLICITY*

Grant Recipient must submit to the Agency all advertising and publicity matters relating to the Grant Award in which the Agency's identity is named, inferred, or implied. Grant Recipient must not publish or use such advertising and publicity matters without the prior written consent of the Agency.

## *RECAPTURE*

If Grant Recipient fails to perform the activities contemplated in the Grant Award in accordance with state laws, federal laws, and/or the provisions of the Grant Award, the Agency reserves the right to recapture funds in an amount to compensate the Agency for the noncompliance.

## *RECORDS, DOCUMENTS, AND REPORTS*

Grant Recipient must maintain books, records, documents and other evidence relating to the Grant Award and performance of the services described by the Grant Award. At no additional cost, these records, including materials generated under the Grant Award, are subject at all reasonable times to inspection, review, or audit by personnel duly authorized by the Agency, the State Auditor, and federal officials so authorized by law, rule, regulation, or contract. Grant Recipient is responsible for any audit exceptions or disallowed costs incurred by Grant Recipient or any of its Subcontractors.

Grant Recipient must retain all books, records, documents, and other materials relevant to the Grant Award for six years following the date of final payment. If additional litigation, claim or audit is started before the expiration of the six (6) year period, Grant Recipient must retain all records until all litigation, claims, or audit findings involving the records are resolved.

## *REGISTRATION WITH DEPARTMENT OF REVENUE*

Grant Recipient must comply with the Washington State law requiring registration with the Department of Revenue.

## *SEVERABILITY*

The provisions of the Grant Award are severable. If any provision is held to be illegal or invalid for any reason whatsoever, such illegality or invalidity does not affect the validity of the remainder of the Grant Award.

## *SITE SECURITY*

While on the Agency premises, Grant Recipient, its agents, employees, or subcontractors must conform in all respects with physical, fire or other security policies or regulations.

## *SURVIVAL*

The terms, conditions, and warranties in the Grant Award that by their sense and context are intended to survive beyond performance, survive the expiration, cancellation, or termination of the Grant Award.

## *TAXES*

Grant Recipient is solely responsible for payment of all taxes due on payments under the Grant Award. Grant Recipient is solely responsible for all payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for Grant Recipient.

#### *TERMINATION OR SUSPENSION FOR CAUSE*

If the Agency determines Grant Recipient has failed to comply with the conditions of the Grant Award in a timely manner, the Agency must notify Grant Recipient in writing of the need to take corrective action, unless such notice of corrective action is otherwise excused by the Grant Award. The Agency may suspend all or part of the Grant Award or prohibit Grant Recipient from incurring additional obligations of funds during investigation of the alleged breach or the time Grant Recipient takes for corrective action. If Grant Recipient does not take required corrective action within 30 days, the Agency may immediately, or upon a date determined by the Agency, terminate the Grant Award. If so terminated, the termination is deemed a "Termination for Convenience" if the Agency determines that failure to perform was outside the control of Grant Recipient and Grant Recipient is not otherwise in default, at fault, or negligent.

In the event of termination or suspension for cause, Grant Recipient is liable for damages as authorized by law including, but not limited to, any cost difference between the original contract and the replacement or cover contract and all administrative costs directly related to the replacement contract, e.g., cost of the competitive bidding, mailing, advertising and staff time.

#### *TERMINATION OR SUSPENSION FOR LOSS OF FUNDING OR GOVERNMENT SHUTDOWN*

If funding from any source is withdrawn, reduced, or limited in any way after the effective date of the Grant Award and prior to normal completion, the Agency may immediately terminate or suspend the Grant Award without advance notice. In lieu of termination or suspension, the parties may amend the Grant Award to reflect the new funding limitations and conditions. If temporary federal or state government shutdowns occur for any reason, the Agency may suspend the Grant Award or delay payments due under it without advance notice.

#### *U.S. DEPARTMENT OF TREASURY, OFFICE OF FOREIGN ASSETS CONTROL*

The Agency complies with U.S. Department of the Treasury, Office of Foreign Assets Control (OFAC) payment rules. OFAC prohibits financial transactions with individuals or organizations, which have been placed on the OFAC Specially Designated Nationals (SDN) and Blocked Persons sanctions list located at <http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx>. Compliance with OFAC payment rules ensures that the Agency does not conduct business with individuals or organizations that have been determined to be supporters of terrorism and international drug dealing or that pose other dangers to the United States. Prior to making payment to individuals or organizations, the Agency will download the current OFAC SDN file and compare it to Agency and statewide vendor files. In the event of a positive match, the Agency reserves the right to: 1) make a determination of "reasonability" before taking the positive match to a higher authority, 2) seek assistance from the Washington State Office of the State Treasurer (OST) for advanced assistance in resolving the positive match, 3) comply with an OFAC investigation, if required, and/or 4) if the positive match is substantiated, notify Grant Recipient in writing and terminate the Grant Award according to the Termination for Convenience provision without making payment. The Agency will not be liable for any late payment fees or missed discounts that are the result of time required to address the issue of an OFAC match.

## *WAIVER*

Failure to insist on strict performance by either party does not constitute a waiver of the other party's obligations. Waiver of any right must be in writing and signed by an authorized representative of the party waiving the right.