



## Federal Disaster Assistance for Agriculture

A number of federal assistance programs are designed to address agricultural losses following a natural disaster, including insurance, direct payments for loss, loans, and cost share to rehabilitate damaged lands. These programs are intended to assist producers recovering from production, financial, and physical loss related to or caused by the disaster. They are administered by the U.S. Department of Agriculture (USDA) through three agencies: the Risk Management Agency (RMA), the Farm Service Agency (FSA), and the Natural Resources Conservation Service (NRCS). All programs have permanent authorization, and only one (the emergency loan program) requires a federal disaster designation. Many of the programs receive mandatory funding amounts that are “such sums as necessary” and are not subject to annual discretionary appropriations. Other programs, however, require supplemental appropriations. Most programs are subject to payment limits, while a few are not (e.g., crop insurance).

**Table 1** provides a brief overview of USDA assistance programs for agricultural producers following a natural disaster. It is not comprehensive. For example, community water, housing, food assistance, and wildfire programs offered by USDA are not discussed.

For more detailed information on USDA disaster assistance programs, see CRS Report RS21212, *Agricultural Disaster Assistance*, and CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*.

### Types of Losses

Natural disasters create a number of different types of losses for agricultural operations.

- Production loss—the loss of crops, animals, or trees, prevented planting of a future crop due to lack of access (flooding), or the loss of forage for livestock.
- Physical loss—the loss of related production infrastructure such as terraces, irrigation systems, barns, and waste management structures.
- Financial loss—the loss of income and revenue.

### Types of Disasters

Most all USDA disaster assistance programs are in response to natural disasters. This includes, but is not limited to, blizzard, fire, hurricane, flood, tornado, drought, hail, volcanic eruption, freeze, and earthquake. In some cases insect infestation and disease may qualify as a natural

disaster under some programs. Manmade disaster conditions are generally excluded.

### Types of Support

USDA offers assistance through a number of different mechanisms.

- Insurance—subsidized premiums for yield or revenue loss insurance coverage.
- Direct payments—generally made to cover production loss in excess of normal loss.
- Loans—low interest loans when commercial credit is unavailable.
- Cost-share—a percentage of the cost to reinstall conservation infrastructure or rehabilitate damaged land.

### Additional CRS Resources

Additional CRS products are available related to non-agricultural federal disaster assistance.

- General disaster response—CRS Report R41981, *Congressional Primer on Responding to Major Disasters and Emergencies*.
- Response and Recovery Programs—CRS Report RL31734, *Federal Disaster Assistance Response and Recovery Programs: Brief Summaries*.
- Disaster declarations—CRS Report R43784, *FEMA’s Disaster Declaration Process: A Primer*.

CRS expert lists are also available by event.

- Flooding—CRS Report R40882, *Flooding Events: CRS Experts*.
- Hurricanes—CRS Report R40881, *Hurricane Events: CRS Experts*.
- Drought—CRS Report R42610, *Drought in the United States: CRS Experts*.
- Wildfires—CRS Report R40884, *Wildfires: CRS Experts*.
- Natural disaster and hazards generally—CRS Report R43519, *Natural Disasters and Hazards: CRS Experts*.

Table I. USDA's Agricultural Disaster Assistance Programs

Program and Agency	Disaster	Coverage and Requirements	Payment Trigger	Timing and Funding
<b>Insurance</b>				
<b>Crop insurance</b> indemnifies yield or revenue losses—RMA	All	More than 100 crops are eligible; also covered are livestock margins and pasture. Producer must purchase a subsidized policy prior to planting.	Yield or revenue loss greater than the deductible (e.g., 30%) specified in the policy.	Indemnity payment issued after claim is filed, adjusted, and processed; unlimited program funding.
<b>Noninsured Crop Disaster Assistance Program (NAP)</b> payments for reduced yield, crop loss, or prevented planting—FSA	All (fire must be related to an eligible disaster)	Available for crops not currently eligible for crop insurance. Producer pays fee prior to planting.	Crop loss in excess of 50% or prevented planting 35% of intended acres; additional coverage available.	Payment issued after claim is filed and processed; unlimited program funding.
<b>Payments</b>				
<b>Livestock Indemnity Program (LIP)</b> payments for livestock death losses—FSA	All except drought (unless associated with anthrax)	Beef and dairy cattle, hogs, chickens, ducks, geese, turkeys, sheep, goats, alpacas, deer, elk, emus, llamas, reindeer, and equine; no fee.	Livestock deaths in excess of normal mortality caused by adverse weather.	Payment issued after application is processed; unlimited program funding.
<b>Livestock Forage Disaster Program (LFP)</b> payments for grazing losses from drought/fire—FSA	Drought or fire (federal land only)	Drought-affected pastureland and cropland planted for grazing; rangeland managed by a federal agency due to a qualifying fire; no fee	Drought intensity level for an individual county, as published in the U.S. Drought Monitor.	Payment issued after application is processed; unlimited program funding.
<b>Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP)</b> payments for losses not covered by LIP/LFP—FSA	All (including disease)	Livestock, honey bees, and farm-raised fish; losses may be caused by disease, adverse weather, feed or water shortages, or wildfires; no fee.	Bee losses in excess of normal mortality; certain losses for livestock, including feed and water costs.	Payment issued in the fiscal year following the application for loss; annual funding capped at \$20 million.
<b>Tree Assistance Program (TAP)</b> payments for tree, bush, and vine losses—FSA	All (including disease and infestation)	Trees, bushes, and vines from which an annual crop is produced; no fee.	Tree/bush/vine mortality loss or damage in excess of 15% mortality.	Payment issued after application is processed; unlimited program funding.
<b>Loans</b>				
<b>Emergency (EM) disaster loans</b> offer low-interest financing for production or physical losses—FSA	All	Damage to crops, livestock, equipment or farmland when commercial credit not available.	Disaster declaration by President, Secretary, or FSA; 30% crop loss or a physical loss.	Loan application due within eight months of disaster; funding subject to appropriations.
<b>Disaster Set-Aside (DSA)</b> allows deferred loan payment for direct loans—FSA	All	One full year's loan payment can be moved to end of loan period.	Disaster declaration by President, Secretary, or FSA.	Upon declaration of disaster.
<b>Cost Share</b>				
<b>Emergency Conservation Program (ECP)</b> percentage of cost to return damaged land to production—FSA	All	Damaged private farmland or emergency water conservation during drought. Federal and state land is ineligible.	Determined by FSA county committee or national FSA office in case of drought.	Payment issued after work is completed; funding subject to appropriations.
<b>Emergency Forest Restoration Program (EFRP)</b> percentage of cost to restore forest health—FSA	All	Damaged nonindustrial private forestland. Federal and state land is ineligible.	Determined by FSA county committee.	Payment issued after work is completed; funding subject to appropriations.
<b>Emergency Watershed Protection (EWP)</b> percentage of cost to relieve imminent hazards to life and property—NRCS	All	Runoff and erosion measures on private, state, tribal, and federal lands (U.S. Forest Service land only). Must have project sponsor (local/state government).	Determined by NRCS state office.	Funding released after signed cooperative agreement with project sponsor; funding subject to appropriations.

Source: Compiled by CRS.