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Agricultural Disaster Assistance

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SUMMARY

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The U.S. Department of Agriculture (USDA) offers programs to help farmers recover financially from natural disasters, including drought and floods. Most programs have permanent authorization, and one requires a federal disaster designation (the emergency loan program). Most permanent programs receive mandatory funding amounts that are "such sums as necessary" and are not subject to annual discretionary appropriations.

The federal crop insurance program offers subsidized policies designed to protect crop producers from risks associated with adverse weather, as well as weather-related plant diseases and insect infestations and declines in commodity prices. Policies must be purchased prior to the planting season. Eligible commodities include most major crops and many specialty crops (including fruit, tree nut, vegetable, and nursery crops), as well as forage and pastureland for livestock producers. Producers who grow a crop that is currently ineligible for the federal crop insurance program may apply for the Noninsured Crop Disaster Assistance Program (NAP). NAP provides a basic level of coverage (when loss exceeds 50% of expected production) and options to purchase additional coverage. Similar to crop insurance, policies must be purchased prior to the planting season.

There are four permanently authorized disaster programs for livestock and trees. Producers do not pay a fee to participate, and advanced sign-up is not required. The programs are as follows:

1. The Livestock Indemnity Program (LIP) provides payments to eligible livestock owners and contract growers at a rate of 75% of market value for livestock deaths in excess of normal mortality or livestock sold at a reduced sale price caused by adverse weather, attacks by reintroduced wild animals, and disease.
2. The Livestock Forage Disaster Program (LFP) provides payments to eligible livestock producers who have suffered loss of grazed forage on drought-affected pasture or grazing land or on rangeland managed by a federal agency due to a qualifying fire.
3. The Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP) provides payments to producers of livestock, honey bees, and farm-raised fish as compensation for losses due to animal disease, adverse weather, and feed or water shortages.
4. The Tree Assistance Program (TAP) provides payments to orchardists/nursery tree growers to replant or rehabilitate trees, bushes, and vines damaged by natural disasters.

Separately, for all types of farms and ranches, when the President or the Secretary of Agriculture declares a county a disaster area, producers in that county may become eligible for USDA low-interest emergency disaster loans.

USDA has several permanent disaster assistance programs designed to help producers repair damaged land following natural disasters. It also has authority to issue payments to farmers with funds from the Commodity Credit Corporation (CCC) or "Section 32" for selected natural disaster related losses. Finally, USDA can use a variety of existing programs to address disaster issues as they arise, such as allowing emergency grazing on land enrolled in the Conservation Reserve Program, offering assistance to prevent the spread of animal disease, and providing indemnity payments for milk and milk product loss due to chemical or toxic contamination.

Since 2018, Congress has provided supplemental appropriations covering crop and livestock losses above those provided for in permanent programs. USDA has implemented this ad hoc assistance through various programs, recently the Emergency Relief Program (ERP) and Emergency Livestock Relief Program (ELRP). In total, over $19 billion has been appropriated in FY2018 through FY2023 to cover agricultural losses in 2017 through 2022.

Economic and market losses are not considered eligible losses under the USDA disaster assistance programs. While USDA has provided some flexibilities through existing programs, most disaster assistance programs require some level of production or physical loss from an unavoidable natural cause in order to trigger eligibility.

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The U.S. Department of Agriculture (USDA) offers several programs designed to help farmers and ranchers recover from the financial effects of natural disasters, including (1) federal crop insurance, (2) the Noninsured Crop Disaster Assistance Program (NAP), (3) livestock and fruit tree disaster programs, and (4) emergency disaster loans for both crop and livestock producers. All have permanent authorization, while the emergency loan program is the only one requiring a federal disaster designation (see **Table 1**). Most programs receive mandatory funding amounts of "such sums as necessary" and are not subject to annual discretionary appropriations.[1] The Agricultural Improvement Act of 2018 (2018 farm bill, P.L. 115-334) amended these programs, generally to expand availability and support.

Prior to the creation of many of the permanently authorized programs at USDA, Congress had historically provided farmers and ranchers with ad hoc disaster assistance payments authorized through supplemental appropriations. Subsequently, policies shifted away from the temporary forms of assistance in favor of enacting more permanent forms of support.[2] More recently, policies have shifted to supplement permanent programs with ad hoc assistance for select agriculture losses. Through supplemental appropriations since FY2018, Congress amended existing disaster assistance programs and provided billions in assistance for production losses from natural disasters in 2017 through 2022.[3] USDA has also used separate discretionary authorities to respond to natural disasters.

This report provides an overview of permanently authorized federal disaster assistance programs for agricultural losses from natural disaster as well as discretionary authority that USDA may use to provide assistance. It also discusses ad hoc assistance authorized by Congress.[4]

Federal Crop Insurance

The federal crop insurance program is permanently authorized by the Federal Crop Insurance Act, as amended (7 U.S.C. §§1501 et seq.) and is operated through public and private entities. Private insurance companies, known as Approved Insurance Providers (AIPs), are the primary insurers selling and servicing the insurance policies. USDA's Risk Management Agency (RMA) drafts federal crop insurance policies, sets premium rates, and regulates AIPs. The Federal Crop Insurance Corporation (FCIC) reinsures crop insurance policies and subsidizes the AIPs expenses. The program is designed to protect crop producers from risks associated with adverse weather, as well as weather-related plant diseases, insect infestations, and declines in commodity prices.

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[1] For a brief summary of these programs, see CRS In Focus IF10565, *Federal Disaster Assistance for Agriculture*.

[2] For example, the Food, Conservation, and Energy Act of 2008 (2008 farm bill; P.L. 110-246) and the Agricultural Act of 2014 (2014 farm bill; P.L. 113-79) authorized the "Supplemental Agricultural Disaster Assistance Programs," discussed below.

[3] Bipartisan Budget Act of 2018 (P.L. 115-123), Additional Supplemental Appropriations for Disaster Relief Act, 2019 (P.L. 116-20), Disaster Relieve Supplemental Appropriation Act, 2022 (Division B, P.L. 117-43), and Consolidated Appropriations Act, 2023 (Division N, P.L. 117-328).

[4] Economic and market-related losses are not generally considered eligible losses under the U.S. Department of Agriculture's (USDA's) disaster assistance programs. Most disaster assistance programs are statutorily required to include some level of production or physical loss from an unavoidable natural cause to trigger eligibility. As such, this report does not discuss USDA payment programs related to the Coronavirus Disease 2019 (COVID-19) pandemic, trade disputes, or other economic related losses.

Table 1. Selected Permanent USDA Agricultural Disaster Assistance Programs

all programs permanently authorized—disaster designation or declaration required only for loans

Program & Agency	Commodity Coverage & Requirements	Payment Trigger	Timing & Funding
Crop insurance indemnifies yield, revenue, or margin losses—RMA.	More than 100 eligible crops; livestock margins and pasture covered. Producer must purchase a subsidized policy prior to planting.	Yield, revenue, or margin loss greater than the deductible specified in the policy.	Indemnity payment issued after claim is filed, adjusted, and processed; unlimited funding.
Noninsured Crop Disaster Assistance Program (NAP) payments for reduced yield and loss—FSA.	Crops not currently eligible for crop insurance. Producer pays fee prior to planting.	Crop loss in excess of 50%; additional coverage available.	Indemnity payment issued after claim is filed, adjusted, and processed; unlimited funding.
Supplemental agricultural disaster assistance programs issue payments for qualifying losses—FSA			
Livestock Indemnity Program (LIP); payments for livestock death losses or livestock sold at a reduced sale price.	Beef and dairy cattle, hogs, chickens, ducks, geese, turkeys, sheep, goats, alpacas, deer, elk, emus, and equine; no fee.	Livestock deaths in excess of normal mortality or sold at reduced sale price caused by adverse weather or disease.	Payment issued after application is processed; unlimited funding.
Livestock Forage Disaster Program (LFP); payments for grazing losses from drought or fire.	Drought-affected pastureland and cropland for grazing; rangeland managed by a federal agency affected by a qualifying fire; no fee.	Drought intensity for an individual county, as published in *the U.S. Drought Monitor*; or qualifying fire.	Payment issued after application is processed; unlimited funding.
Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP); payments for losses not covered by LIP or LFP.	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 and costs for livestock, including feed and water costs.	Payment issued after application is processed; unlimited funding.
Tree Assistance Program (TAP); payments for tree, bush, and vine losses.	Trees, bushes, and vines that produce an annual crop; no fee.	Tree, bush, or vine mortality loss or damage in excess of 15%.	Payment issued after application is processed; unlimited funding.
Emergency (EM) disaster loans offer low-interest financing for production or physical losses—FSA.	Damage to crops, livestock, equipment, or farmland when commercial credit is not available.	County disaster declaration by President, Secretary, or FSA; 30% crop loss or a physical loss.	Application due within eight months of disaster; funding subject to appropriations.
Disaster Set-Aside allows deferred loan payment for direct loans—FSA.	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.

Source: Compiled by CRS.

Notes: FSA = Farm Service Agency; RMA = Risk Management Agency. USDA also offers other emergency assistance for land rehabilitation and forbearance on rural housing loans and rural water and waste water disposal loans. See CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*; and CRS Report R47510, *Rural Definitions Used for Eligibility Requirements in USDA Rural Development Programs.*

Crop insurance is available for most major crops and many specialty crops (including fruit, tree nut, vegetable, and nursery crops) as well as forage and pastureland for livestock producers. A producer who chooses to purchase an insurance policy must do so by an administratively determined deadline date, which varies by crop and usually coincides with the beginning of planting season. Insurance products that protect against loss in revenue and profit margins are also available. Policies are typically available in major growing regions.

The federal crop insurance program was instituted in the 1930s and was subject to major legislative reforms in 1980 and again in 1994 and 2000. The Agriculture Risk Protection Act of 2000 (P.L. 106-224) authorized new federal spending for the program primarily through more generous premium subsidies to help make the program more affordable to farmers and enhance farmer participation levels in an effort to preclude the need for ad hoc emergency disaster payments.[5]

Under the current crop insurance program, a producer who grows an insurable crop selects a level of crop yield and price coverage and pays a premium that increases as the levels of yield and price coverage rise. However, all eligible producers can receive catastrophic (CAT) coverage without paying a premium. The premium for CAT coverage is subsidized by the federal government. Under CAT coverage, participating producers can receive a payment equal to 55% of the estimated market price of the commodity on crop losses in excess of 50% of normal yield—referred to as 50/55 coverage.

Although eligible producers do not have to pay a premium for CAT coverage, they are required to pay upon enrollment a $655 administrative fee per covered crop for each county where they grow the crop. USDA can waive the fee for financial hardship cases. In addition to the administrative fee, producers can elect to pay a premium, which is partially subsidized by the government, to increase the 50/55 CAT coverage to any equivalent level of coverage between 50/100 and 85/100 (i.e., 85% of yield and 100% of the estimated market price) in increments of 5%. These higher levels of coverage are known as *buy-up* coverage.

An eligible producer may also purchase revenue insurance for many insurable commodities. Under such a policy, a farmer could receive an indemnity payment when actual farm revenue for a crop falls below the target level of revenue, regardless of whether the shortfall in revenue was caused by poor production or low farm commodity prices. Insured producers are also eligible for reduced coverage if they are late or prevented from planting because of flooding.

The annual agriculture appropriations bill traditionally makes two separate appropriations for the federal crop insurance program. It provides discretionary funding for the salaries and expenses of the RMA. It also provides "such sums as are necessary" for the FCIC, which finances all other expenses of the program, including premium subsidies, indemnity payments, and reimbursements to the AIPs.[6] The total cost of the program varies by year, primarily due to fluctuating levels of indemnity payments from changes in commodity prices, planting decisions, and weather conditions. Across all policies, the average premium subsidy was about 62% of total premiums in 2022.[7] The federal government also subsidizes the costs of selling and servicing the policies (as

[5] H.Rept. 106-639; "Conference Report on H.R. 2559, Agricultural Risk Protection Act of 2000," House debate, *Congressional Record*, vol. 146, part 67 (May 25, 2000), p. H3817-H3828; and "Risk Management for the 21st Century Act," Senate debate, *Congressional Record*, vol. 146, part 34 (March 23, 2000), pp. S1627-S1642.

[6] The FCIC is funded through a mandatory indefinite appropriation that draws necessary funds directly from the U.S. Treasury.

[7] In crop year 2022, total premiums were $19.2 billion, and premium subsidies were $12.0 billion. See RMA, *Crop Year Government Cost of Federal Crop Insurance Program*, May 1, 2023, at https://www.rma.usda.gov/-/media/RMA/AboutRMA/Program-Budget/22cygovcost.ashx?la=en.

delivery subsidies to Approved Insurance Providers) and absorbs underwriting losses (indemnities in excess of premiums received) in years when indemnities are high.[8]

For a more detailed analysis of the federal crop insurance program, see CRS Report R46686, *Federal Crop Insurance: A Primer*.

Noninsured Crop Disaster Assistance Program (NAP)

Producers who grow a crop that is currently ineligible for crop insurance may apply for NAP. NAP has permanent authority under Section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. §7333) and is administered by USDA's Farm Service Agency (FSA). It was first authorized under the Federal Crop Insurance Reform Act of 1994 (P.L. 103-354). NAP is not subject to annual appropriations. Instead, it receives such sums as are necessary through USDA's Commodity Credit Corporation (CCC), which has a line of credit with the U.S. Treasury to fund an array of farm programs.[9]

Eligible crops under NAP include any commercial crops grown for food, fiber, or livestock consumption for which there is no CAT coverage available under the federal crop insurance program, with limited exceptions. These crops include mushrooms, floriculture, ornamental nursery, Christmas trees, turfgrass sod, aquaculture, honey, maple sap, ginseng, and industrial crops used in manufacturing or grown as a feedstock for energy production, among others. Trees grown for wood, paper, and pulp products are not eligible. To be eligible for a NAP payment, a producer first must apply for coverage by the application closing date, which varies by crop but is generally about 30 days prior to the final planting date for an annual crop. Like CAT coverage under crop insurance, NAP applicants must also pay an administrative fee at the time of application. The NAP service fee is the lesser of $325 per crop or $825 per producer per administrative county, not to exceed a total of $1,950 for farms in multiple counties.[10]

To receive a NAP payment, a producer must experience at least a 50% crop loss caused by a natural disaster or be prevented from planting more than 35% of intended crop acreage. For any losses in excess of the minimum loss threshold, a producer can receive 55% of the average market price for the covered commodity. Hence, NAP is similar to CAT coverage in that it pays 55% of the market price for losses in excess of 50% of normal historical production.

Additional coverage (referred to as *buy-up* coverage) may be purchased at 50% to 65% (in 5% increments) of established yield and 100% of average market price, contract price, or other premium price. The farmer-paid fee for additional coverage is 5.25% times the product of the selected coverage level and value of production (acreage multiplied by yield multiplied by the average market price multiplied by the producer's share of the crop).[11] Grazing land is not eligible for buy-up coverage.

A producer of a noninsured crop is subject to an annual payment limit of $125,000 per person for catastrophic coverage and $300,000 for buy-up coverage. A producer is ineligible under NAP if

[8] For additional information, see CRS In Focus IF12189, *Federal Crop Insurance Program (FCIP): Limits on Administrative and Operating Subsidies*.

[9] For more information on CCC, see CRS Report R44606, *The Commodity Credit Corporation (CCC)*.

[10] For more on NAP, see USDA factsheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/noninsured_crop_disaster_assistance_program-nap-fact_sheet.pdf.

[11] For NAP enhancements, see CCC and FSA, "Noninsured Crop Disaster Assistance Program; Final Rule," 85 *Federal Register* 12213-12221, March 2, 2020.

the producer's total adjusted gross income (AGI) exceeds $900,000.[12] The total federal cost of NAP was $237.1 million in FY2022.[13]

Supplemental Agricultural Disaster Assistance Programs

Four agricultural disaster assistance programs are permanently authorized: (1) the Livestock Indemnity Program (LIP); (2) the Livestock Forage Disaster Program (LFP); (3) the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP); and (4) the Tree Assistance Program (TAP). They operate nationwide and are administered by FSA. Producers do not pay fees to participate and can apply at their local FSA offices.[14]

All programs receive "such sums as necessary" in mandatory funding via the CCC to reimburse eligible producers for their losses. Total payments vary each year based on eligible loss conditions. In FY2022, LIP payments totaled $22.2 million, LFP payments totaled $1,241.9 million, ELAP payments totaled $248.8 million, and TAP payments totaled $11.1 million.[15] All payments are reduced by sequestration.[16]

For individual producers, payments under LFP may not exceed $125,000 per year. There are no limits on payment amounts received under LIP, ELAP, and TAP. To be eligible for a payment under any of these programs, a producer's total AGI cannot exceed $900,000.[17]

Livestock Indemnity Program (LIP)

LIP provides payments to eligible livestock owners and contract growers for livestock deaths in excess of normal mortality caused by an eligible loss condition (e.g., adverse weather, disease, or animal attack). Payments may also be made when the animal is injured as a direct result of an eligible loss condition but does not die and is sold at a reduced price. Eligible loss conditions may include (1) extreme or abnormal damaging weather that is not expected to occur during the loss period for which it occurred, (2) disease that is caused or transmitted by a vector and is not susceptible to control by vaccination, and (3) an attack by animals reintroduced into the wild by the federal government or protected by federal law. Eligibility is predicated on not only the occurrence of an eligible loss condition but also direct causation to the death or injury of the animal.

[12] For additional information on payment limits and AGI requirements, see CRS Report R44739, *U.S. Farm Program Eligibility and Payment Limits*.

[13] USDA, *2024 Explanatory Notes—Commodity Credit Corporation*, March 2023, at https://www.usda.gov/sites/default/files/documents/30-2024-CCC.pdf.

[14] For local FSA contact information, see FSA locator at http://offices.sc.egov.usda.gov/locator/app?agency=fsa.

[15] USDA, *2024 Explanatory Notes—Commodity Credit Corporation*, March 2023, at https://www.usda.gov/sites/default/files/documents/30-2024-CCC.pdf.

[16] Sequestration is a process to reduce federal spending through automatic, largely across-the-board reductions that permanently cancel mandatory and/or discretionary budget authority. The supplemental agricultural disaster assistance programs classify as *nonexempt mandatory* accounts and are therefore reduced by sequestration. For additional information on sequestration, see Appendix C in CRS Report R46951, *Agriculture and Related Agencies: FY2022 Appropriations*.

[17] For additional information on payment limits, see CRS Report R46248, *U.S. Farm Programs: Eligibility and Payment Limits*.

Eligible livestock include beef and dairy cattle, beefalo, bison, buffalo, hogs, chickens, ducks, geese, turkeys, sheep, goats, alpacas, deer, elk, emus, llamas, reindeer, caribou, ostriches, and equine. The livestock must have been maintained for commercial use and not produced for reasons other than commercial use as part of a farming operation. The program excludes wild free-roaming animals, horses and other animals used or intended to be used for racing or wagering, animals used for hunting, and animals produced or maintained for consumption by owners. Poultry (including chickens, ducks, geese, and turkeys) and swine are the only eligible livestock for contract growers.[18]

The LIP payment rate is equal to 75% of the average fair market value of the deceased animal type. USDA publishes a payment rate for each type of livestock for each year (e.g., $1,163.23 per adult beef cow and $4.29 per duck as of August 2023).[19] For eligible livestock contract growers, the payment rate is based on 75% of the national average input costs for the applicable livestock. For livestock sold at a reduced sale price, payments are calculated by multiplying the national payment rate for the livestock category minus the amount the owner received at sale multiplied by the owner's share.

Livestock Forage Disaster Program (LFP)

LFP makes payments to eligible livestock producers who have suffered grazing losses on drought-affected pastureland (including cropland planted specifically for grazing), or on rangeland managed by a federal agency due to a qualifying fire.

Eligible producers must own, cash or share lease, or be a contract grower of covered livestock during the 60 calendar days before the beginning date of a qualifying drought or fire. They must also provide pastureland or grazing land for covered livestock that is either (a) physically located in a county affected by a qualifying drought during the normal grazing period for the county or (b) managed by a federal agency where grazing is not permitted due to fire.

Eligible livestock types (referred to as "covered livestock") are livestock that have been grazing on eligible grazing land or pastureland, or would have been had a disaster

U.S. Drought Monitor

The *U.S. Drought Monitor* is a collaboration between USDA, the National Oceanic and Atmospheric Administration (NOAA), and the National Drought Mitigation Center (NDMC) at the University of Nebraska-Lincoln. Weekly maps are released based on measurements of climatic, hydrologic, and soil conditions and are combined with local impacts and observations across the country from over 425 participants (primarily from government and academic backgrounds). Meteorologists and climatologists from USDA, NOAA, and NDMC rotate as lead author to produce the weekly maps. The drought monitor is used to determine drought relief for USDA programs (e.g., LFP and the Non-Fat Dry Milk Program) and by the Internal Revenue Service to determine the replacement period for livestock sold because of drought. Congressional interest in the *U.S. Drought Monitor* has grown as additional program benefits are tied to it. For more information, see https://droughtmonitor.unl.edu/.

[18] For more information, see 7 C.F.R. §1416 Subpart D—Livestock Indemnity Program.

[19] Payment rates are available in the USDA fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/livestock_indemnity_program_lip-fact_sheet.pdf. Historically, LIP payment rates were issued once annually. In 2022 and 2023, USDA issued midyear adjustments to the LIP payment rates to account for rapid changes in livestock markets. For more information, see USDA, FSA, "USDA Updates Livestock Disaster Payment Rate to Assist Producers Hard-Hit by Heat and Humidity," press release, August 25, 2023.

not struck, and are produced or maintained for commercial use.[20] Eligible grazing periods vary by location and pasture type.[21]

Payments are generally triggered by the drought intensity level for an individual county as published in the *U.S. Drought Monitor* (see **text box**), a federal report published each week. The number of monthly payments depends on the drought severity and length of time the county has been designated as such (**Table 2**). For drought, the payment amount is equal to the number of monthly payments multiplied by 60% of estimated monthly feed cost. For producers who sold livestock because of drought conditions, the payment rate is equal to 80% of the estimated monthly feed cost.[22]

Table 2. Livestock Forage Program

drought intensity and time period determine the number of monthly payments

Drought Monitor Intensity	Qualifying Time Period	No. of Monthly Payments
D2 (severe drought)	For at least eight consecutive weeks during the normal grazing period	one monthly payment
D3 (extreme drought)	At any time during the normal grazing period	three monthly payments
D3 (extreme drought)	For at least four weeks during the normal grazing period	four monthly payments
D4 (exceptional drought)	At any time during the normal grazing period	four monthly payments
D4 (exceptional drought)	For four weeks (not necessarily consecutive) during the normal grazing period	five monthly payments

Source: 7 U.S.C. §9081(c).

Notes: Drought intensity level can apply to any area of a county. The Livestock Forage Disaster Program (LFP) monthly payment rate for drought is equal to 60% of the lesser of the monthly feed cost based on either (a) corn prices, specified feeding requirements, and number of animals or (b) the normal carrying capacity of the land. For details on monthly feed costs and examples, see FSA LFP handbook at https://www.fsa.usda.gov/Internet/FSA_File/1-lfp_r00_a05.pdf. In the case of a producer who sold livestock because of drought conditions, the payment rate is equal to 80% of the monthly feed cost. For fire on federally managed rangeland, the payment rate is 50% of the monthly feed cost, adjusted for the number of days the producer is prohibited from grazing (not to exceed 180 days).

[20] Ineligible livestock includes those in feedlots; non-grazing animals; yaks; poultry; swine; unweaned livestock; livestock not produced for commercial use, such as wild or free roaming livestock and horses for racing or wagering; animals maintained for hunting; or animals produced for consumption by owner. For definitions of covered livestock, see 7 U.S.C. §9081(c)(1)(A) and 7 C.F.R. §1416.202.

[21] For weekly LFP updates on eligibility based on grazing period, drought intensity, and forage type, see USDA, FSA, "Livestock Forage Disaster Program (LFP)," at https://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/livestock-forage/index.

[22] For more information on LFP, see 7 C.F.R. §1416 Subpart C—Livestock Forage Disaster Program; and the USDA fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/fsa_lfp_livestockforageprogramfactsheet_2022.pdf.

Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP)

ELAP provides payments to producers of livestock, honey bees, and farm-raised fish as compensation for losses due to disease, adverse weather, feed or water shortages, or other conditions (such as wildfires) that are not covered under LIP or LFP.[23]

ELAP covers five categories of livestock loss: (1) livestock grazing loss that is not due to drought or wildfires on federally managed lands; (2) livestock feed loss caused by eligible loss condition resulting in purchased or mechanically harvested feed being destroyed, additional feed purchased above normal, and additional cost of feed delivery; (3) loss resulting from the additional cost of transporting water to livestock due to an eligible drought; (4) loss resulting from the additional cost of hauling livestock to forage or other feeding location and back due to an eligible drought; and (5) loss resulting from the additional cost associated with gathering livestock for inspection and treatment related to cattle tick fever. ELAP provides assistance for the loss of honey bee colonies in excess of normal mortality. To meet the eligibility requirements for honey bee colony losses, losses must be the direct result of an eligible adverse weather or loss condition such as colony collapse disorder, eligible winter storm, excessive wind, and flood. For farm-raised fish, ELAP covers losses in excess of normal mortality from eligible adverse weather or loss condition, and purchased or produced feed losses that was intended for feed but damaged because of an eligible adverse weather event or loss condition. Applicants who are defined as a *socially disadvantaged*, *limited resource*, *beginning*, or *veteran* farmer or rancher are eligible for up to 90% of cost of loss.[24] All other losses are based on a national payment rate not to exceed 80% of cost of loss.[25]

Tree Assistance Program (TAP)

TAP makes payments to qualifying orchardists and nursery tree growers to replant or rehabilitate trees, bushes, and vines damaged by natural disasters. Losses in crop production—as opposed to the tree, bush, or vine itself—are generally covered by federal crop insurance or NAP. Eligible trees, bushes, and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut, and Christmas trees produced for commercial sale. Trees used for pulp or timber are ineligible.

To be considered an eligible loss, the individual stand must have sustained a mortality loss or damage in excess of 15% after adjustment for normal mortality or damage. Normal mortality or damage is determined based on (a) each eligible disaster event, except for losses due to plant disease, or (b) for plant disease, the time period for which the stand is infected. Also, the loss could not have been prevented through reasonable and available measures.

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[23] For more information on ELAP, see 7 C.F.R. §1416 Subpart B—Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program; general ELAP fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/2022/fsa_elap_generalfactsheet-22.pdf; ELAP honey bee fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/2022/fsa_elaphoneybeefact_sheet-22.pdf; ELAP livestock fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/elap-livestock-fact-sheet.pdf; and ELAP farm-raised fish fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/2022/elap_farmraisedfish_factsheet-2022-final.pdf.

[24] For additional information and definitions for socially disadvantaged, limited resource, beginning, or veteran farmer or rancher, see CRS Report R46727, *Defining a Socially Disadvantaged Farmer or Rancher (SDFR): In Brief*.

[25] 7 C.F.R. §1416.109.

For replacement, replanting, and/or rehabilitation of trees, bushes, or vines, the payment calculation is the lesser of (a) 65% of the actual cost of replanting (in excess of 15% mortality) and/or 50% of the actual cost of rehabilitation (in excess of 15% damage), or (b) the maximum eligible amount established for the practice by FSA. Applicants who are defined as *beginning* or *veteran* farmer or ranchers are eligible for higher payments, including the lesser of (a) 75% of the actual cost of replanting (in excess of 15% mortality) and/or 75% of the actual cost of rehabilitation (in excess of 15% damage) or (b) the maximum eligible amount established for the practice by FSA.[26] The total quantity of acres planted to trees, bushes, or vines for which a producer can receive TAP payments cannot exceed 1,000 acres annually.[27]

Emergency Disaster Loans

When either the President or the Secretary of Agriculture declares a county a disaster area or quarantine area, agricultural producers in that county may become eligible for low-interest emergency disaster (EM) loans available through FSA.[28] Producers in counties that are contiguous to a county with a disaster designation also become eligible for EM loans. EM loan funds may be used to help eligible farmers, ranchers, and aquaculture producers recover from *production* losses (when the producer suffers a significant loss of an annual crop) or from *physical* losses (such as repairing or replacing damaged or destroyed structures or equipment or for the replanting of permanent crops such as orchards). A qualified applicant can then borrow up to 100% of actual production or physical losses (not to exceed a loan total of $500,000).

Once a county is declared eligible, an individual producer within the county (or a contiguous county) must also meet the following requirements for an EM loan: A producer must (1) be an established family farmer and a citizen or permanent resident of the United States; (2) experience a crop loss of more than 30% or a physical loss of livestock, livestock products, real estate, or property; and (3) be unable to obtain credit from a commercial lender but still show the potential to repay the loan, including having acceptable credit history and collateral to secure the loan. Applications must be received within eight months of the county's disaster designation date. Loans for nonreal-estate purposes must generally be repaid within seven years. Loans for physical losses to real estate have terms up to 20 years. Depending on the repayment ability of the producer and other circumstances, these terms can be extended by FSA to 20 years for nonreal-estate losses and up to 40 years for real estate losses.

The EM loan program is permanently authorized by Title III of the Consolidated Farm and Rural Development Act (P.L. 87-128), as amended, and is subject to annual appropriations. In FY2023, the program received $4.1 million of new loan authority.[29] Unused funds are carried over and available in the next fiscal year. Therefore, the total loan authority can vary greatly depending on

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[26] For additional information on beginning and veteran farmer and rancher provision in farm bill programs, see CRS In Focus IF11227, *2018 Farm Bill Primer: Beginning Farmers and Ranchers*; and CRS In Focus IF11093, *2018 Farm Bill Primer: Veteran Farmers and Ranchers*.

[27] For more information on TAP, see 7 C.F.R. §1416 Subpart E—Tree Assistance Program; the general TAP fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/tree_assistance_program-tap-fact_sheet.pdf; and the TAP Florida citrus greening fact sheet at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/tap-florida-citrus-greening-factsheet.pdf.

[28] The Secretary of Agriculture may designate quarantine areas under the Plant Protection Act (Title VI of P.L. 106-224) or animal quarantine laws. For an overview of the USDA emergency disaster designation and declaration process, see https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/emergency_disaster_designation_declaration_process-factsheet.pdf. For the USDA fact sheet on EM loans, see https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/fsa_emergencyloanprogram_factsheet-2020.pdf.

[29] Division A, Title II of P.L. 117-328.

appropriated levels, annual use, and total carryover. As of November 2023, the total loan authority in FY2024 is approximately $223,000.[30]

In counties with disaster designations, producers who have existing direct loans with FSA may be eligible for Disaster Set-Aside. If, as a result of disaster, a borrower is unable to pay all expenses and make loan payments that are coming due, up to one full year's payment can be moved to the end of the loan.[31]

Other USDA Assistance

USDA also has several permanent disaster assistance programs that help producers repair damaged land following natural disasters. It also has authority to issue payments to farmers from permanently appropriated funds and can use a variety of existing programs to address disaster issues as they arise.

Emergency Agricultural Land Assistance Programs

Several USDA programs offer financial and technical assistance to producers to repair, restore, and mitigate damage by a natural disaster on private land.

- The Emergency Conservation Program (ECP) and the Emergency Forest Restoration Program (EFRP) are administered by FSA. For both programs, FSA pays participants a percentage of the cost to restore the land to a productive state. ECP also funds water for livestock and installing water conserving measures during times of drought. EFRP was created to assist private forestland owners with losses caused by a natural disaster on nonindustrial private forest land.
- The Emergency Watershed Protection (EWP) program and the EWP floodplain easement program are administered by USDA's Natural Resources Conservation Service and the U.S. Forest Service. EWP assists sponsors, landowners, and operators in implementing emergency recovery measures for runoff retardation and erosion prevention to relieve imminent hazards to life and property created by a natural disaster. The EWP floodplain easement program is a mitigation program that pays for permanent easements on private land meant to safeguard lives and property from future floods, drought, and the consequences of erosion through the restoration and preservation of the land's natural functions and values.

For more information on these programs, see CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*.

Assistance to Prevent Spread of Animal Diseases

Under the Animal Health Protection Act (7 U.S.C. §§8301 et seq.), USDA is authorized to take protective actions against the spread of livestock disease, including seizing, treating, or destroying animals if USDA determines that an extraordinary emergency exists because of the

[30] For the most recent funding levels available, see emergency loan funding totals at http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/funding/index.

[31] No loan may receive more than one disaster set-aside unless it is later restructured. For more information, see USDA, FSA, "Farm Loans: Disaster Set-Aside Program," at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/archived-fact-sheets/disaster_set_aside_program_oct2017.pdf.

presence of a pest or disease of livestock and poultry. As part of its animal health program, USDA's Animal and Plant Health Inspection Service (APHIS) compensates producers for animals that must be euthanized, for their disposition, and for contaminated materials that must also be destroyed. Funding is provided by annual appropriations or through the CCC for larger amounts.

During the highly pathogenic avian influenza (HPAI) outbreak in 2022 and 2023, USDA transferred at total of $793.7 million in CCC funds to APHIS to respond to the outbreak. APHIS obligated nearly $433 million of this total in FY2022.[32] As of December 2023, HPAI outbreaks have been found in 47 states and 900 confirmed commercial and backyard flocks.[33]

Dairy Indemnity Payment Program (DIPP)

DIPP provides payments to dairy farmers for milk, or cows producing milk, and to manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because of the presence of certain chemical or toxic residue in the product. DIPP is authorized by P.L. 90-484, as amended. The 2018 farm bill extended the authority for DIPP through FY2023. Funding is authorized through an annual appropriation to the CCC for such sums as necessary, to remain available until expended. Since the program's inception in 1965 through FY2022, USDA has made approximately $45.3 million in payments to dairy farmers.[34]

Eligible loss contamination includes those caused by pesticides, nuclear radiation or fallout, toxic substances, and chemical residue. Program participants must not be responsible for the contamination nor have been indemnified for the same loss from another source. In 2021, USDA amended regulations to allow for indemnification of cows that are likely not marketable due to contamination. This change was made primarily to address concerns about per- and polyfluoroalkyl substances (PFAS) in dairy cows, making them unmarketable for a lengthy duration and therefore eligible for depopulation.[35]

Permanently Appropriated Funds

USDA has discretionary authority to distribute payments to farmers with Funds for Strengthening Markets, Income and Supply (referred to as "Section 32") and CCC.[36] While both Section 32 and CCC have broad authority to support U.S. agriculture, many of their activities are required under various statutes, such as omnibus farm bills.[37] Beginning in FY2012, annual appropriations acts limited select discretionary uses Section 32 by limiting carryover funding pending congressional notification.

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[32] USDA, *2024 Explanatory Notes—Commodity Credit Corporation*, March 2023, at https://www.usda.gov/sites/default/files/documents/30-2024-CCC.pdf.

[33] USDA, Animal and Plant Health Inspection Service, "2022-2023 Confirmations of Highly Pathogenic Avian Influenza in Commercial and Backyard Flocks," December 8, 2023, at https://www.aphis.usda.gov/aphis/ourfocus/animalhealth/animal-disease-information/avian/avian-influenza/hpai-2022/2022-hpai-commercial-backyard-flocks.

[34] USDA, Farm Service Agency (FSA), *2024 Explanatory Notes—Farm Service Agency*, March 2023, at https://www.usda.gov/sites/default/files/documents/27-2024-FSA.pdf.

[35] CCC, FSA, USDA, "Supplemental Dairy Margin Coverage Payment; Conservation Reserve Program; Dairy Indemnity Payment Program; Marketing Assistance Loans, Loan Deficiency Payments, and Sugar Loans; and Oriental Fruit Fly Program," 86 *Federal Register* 70689-70708, December 13, 2021.

[36] For additional information on Section 32, see CRS In Focus IF12193, *Farm and Food Support Under USDA's Section 32 Account*. For additional information on the CCC, see CRS Report R44606, *The Commodity Credit Corporation (CCC)*.

[37] Most CCC- and Section 32-funded programs are classified as mandatory spending programs and therefore do not require annual appropriations.

- USDA's Section 32 program is funded by a permanent appropriation of 30% of the previous year's customs receipts. Funds are used for a variety of activities, including child nutrition programs, the purchase of commodities for domestic food programs, and farm disaster assistance. The statutory authority is Section 32 of the Agricultural Adjustment Act Amendment of 1935 (P.L. 74-320, 7 U.S.C. §612c). The authority to provide disaster assistance is attributed to clause 3 of Section 32, which provides that funds "shall be used to re-establish farmers' purchasing power by making payments in connections with the normal production." The FY2023 appropriation (§714, P.L. 117-328) limits use of clause 3 to carryover funding of no more than $350 million following a two-week advance notice to Congress.
- The CCC serves as the funding institution for carrying out federal farm support programs, such as commodity price support and production programs, conservation programs, disaster assistance, agricultural research, and bioenergy development. It is federally chartered by the CCC Charter Act of 1948 (P.L. 80-806), as amended. The authority to provide assistance is attributed to Section 5 of the act (15 U.S.C. §714c), which, among other activities, authorizes the CCC to support the prices of agricultural commodities through loans, purchases, payments, and other operations. In general, CCC cannot directly indemnify agricultural losses unless directed by Congress.

Authority Under Existing USDA Programs

In addition to implementing the disaster assistance programs discussed above, USDA can use authority under other existing programs to help producers recover from natural disasters. Examples of these programs and disaster related actions include the following:

- authorizing emergency grazing and haying on Conservation Reserve Program (CRP) acres;[38]
- reducing the emergency loan interest rate and making emergency loans available earlier in the season;
- targeting conservation assistance through the Environmental Quality Incentives Program (EQIP), including providing additional funding for farmers and ranchers to implement conservation practices that prevent excessive soil erosion, restore streambanks, and respond to animal mortality (farmers and ranchers contribute about half the cost of implementing the practices);[39] and
- directing Emergency and Imminent Community Water Assistance Grants for rural water systems experiencing emergencies resulting from a significant decline in quantity or quality of drinking water.[40]

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[38] Emergency grazing and haying on CRP acres are generally restricted during primary nesting season for certain wildlife. Authorization is provided either at the national FSA level or by a state FSA committee utilizing the *U.S. Drought Monitor*. For more information on CRP emergency grazing and haying requirements, see FSA, "CRP Haying and Grazing Emergency and Non-Emergency Use," at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/FactSheets/crp_haying_grazing_factsheet.pdf.

[39] For additional information on natural disaster recovery assistance through EQIP, see https://www.nrcs.usda.gov/sites/default/files/2022-09/Natural%20Disaster%20Recovery%20Assistance%20through%20EQIP.pdf.

[40] USDA's Rural Utilities Service provides grants and loans for rural water systems in communities with fewer than 10,000 inhabitants. Its programs are for domestic water service, not water for agricultural purposes. For more (continued...)

Ad Hoc Assistance

The authorization of permanent disaster assistance programs in the 2008 and 2014 farm bills,[41] as well as expanded crop insurance and NAP policies, were intended to reduce the need for ad hoc disaster assistance.[42] Following enactment of the 2008 farm bill, Congress appropriated less in the way of supplemental disaster assistance for agriculture for several years, most of which was for land rehabilitation efforts under EWP and ECP. This changed in 2018, when an active hurricane and wildfire season in 2017 prompted Congress to authorize ad hoc assistance through a series of supplemental appropriations. Such supplemental appropriations have continued and total over $19 billion from FY2018 through FY2023 (over $20 billion when adjusted for inflation).[43]

As the appropriations language directing the supplemental funds has evolved over time, so too has the implementation. Both the Trump and Biden Administrations have implemented these funds through a series of ad hoc programs that have changed in name and eligibility requirements. **Table A-1** provides a summary of funds appropriated to date and the corresponding programs implemented by USDA. The most recent supplemental funding, provided in FY2022 and FY2023, has been implemented through the Emergency Relief Program (ERP).[44]

Emergency Relief Program (ERP) 2022

The Disaster Relief Supplemental Appropriations Act of 2023 (passed as Division N of the Consolidated Appropriations Act, 2023 [P.L. 117-328], FY2023 supplemental) included $3.741 billion for losses that occurred in calendar year 2022. Qualifying natural disaster events under ERP included wildfires, tornadoes, hurricanes, floods, derechos, excessive heat, winter storms, freeze, smoke exposure, excessive moisture, qualifying drought, and related conditions. Qualifying losses included crops (including milk, on-farm stored commodities, crops prevented from planting, and harvested adulterated wine grapes), trees, bushes, and vines. The majority of the FY2023 supplemental funds are being implemented through ERP, an ad hoc program established to implement similar supplemental funds appropriated in FY2022.[45] The current ERP—referred to as "ERP 2022"—is offered in two tracks.

ERP 2022 Track 1 is calculated using existing NAP and crop insurance data. Each producer's loss is calculated consistent with the loss procedures for the type of coverage purchased but using an

information, see USDA, Rural Development, "Rural Decentralized Water Systems Grant Program," at https://www.rd.usda.gov/programs-services/water-environmental-programs/rural-decentralized-water-systems-grant-program.

41 See the "Supplemental Agricultural Disaster Assistance Programs" section discussed above.

42 H.Rept. 106-639; "Conference Report on H.R. 2559, Agricultural Risk Protection Act of 2000," House debate, *Congressional Record*, vol. 146, part 67 (May 25, 2000), p. H3817-H3828; and "Risk Management for the 21st Century Act," Senate debate, *Congressional Record*, vol. 146, part 34 (March 23, 2000), pp. S1627-S1642.

43 Adjusted for inflation in FY2023 dollars using Office of Management and Budget, Table 10.1—Gross Domestic Product and Deflators Used in the Historical Tables: 1940–2028, March 2023, at https://www.whitehouse.gov/wp-content/uploads/2023/03/hist10z1_fy2024.xlsx.

44 FY2022 supplemental funds were included in the Disaster Relief Supplemental Appropriations Act of 2022 (P.L. 117-43, Division B, Title I), and FY2023 supplemental funds were included in the Disaster Relief Supplemental Appropriations Act of 2023 (passed as Division N of the Consolidated Appropriations Act, 2023 [P.L. 117-328]). For more details, see the **Appendix**. Previous ad hoc programs are no longer active and not discussed in this report.

45 The Disaster Relief Supplemental Appropriations Act of 2022 (P.L. 117-43, Division B, Title I) included $10 billion in supplemental funds to cover agricultural losses occurring in calendar years 2020 and 2021. Most of these funds were implemented through ERP in two phases. For additional information, see CRS In Focus IF12544, *Department of Agriculture's Emergency Relief Program (ERP)*.

ERP factor ranging from 75% to 95% in place of the coverage level. The ERP factor is based on the amount of crop insurance or NAP coverage the producer originally purchased. This calculated amount is then be adjusted by subtracting out the net crop insurance indemnity or NAP payment. For historically underserved producers—including beginning, limited resource, socially disadvantaged, and veteran farmers and ranchers—the premium or administrative fee paid is added to the payment. ERP 2022 Track 1 also applies a *progressive factor* to all payments calculated based on crop insurance indemnities.[46] The higher the ERP 2022 payment, the lower the progressive factor percentage applied.[47]

ERP 2022 Track 2 provides payments based on estimated revenue loss. There are two options for determining revenue loss—tax year option or expected revenue option. The tax year option includes a calculation based on the allowable gross revenue for the 2018 or 2019 tax year compared with the disaster year's allowable gross revenue for the 2022 or 2023 tax year. The expected revenue option allows the producer to certify the revenue they reasonably expected to receive absent any disaster conditions and the actual disaster year revenue. Estimated revenue is limited to 70% of agricultural loss if no crop insurance or NAP coverage was purchased. Track 2 calculations include the progressive factor and are prorated based on available funds.

Payments under ERP 2022 are limited to $125,000 per person or legal entity if less than 75% of the participant's adjusted gross income was from farming. If more than 75% of the participant's AGI was from farming, then payments are limited to a maximum of $900,000 for specialty and high value crops and $250,000 for all other crops per person or legal entity. All ERP participants that received a payment under ERP 2022 are required to purchase a crop insurance or NAP policy for the next two available crop years.

Emergency Livestock Relief Program (ELRP) 2022

The FY2023 supplemental directed $464.5 million to livestock producers who incurred forage losses in 2022 due to qualifying droughts or wildfires. USDA is providing payments though ELRP—referred to as "ELRP 2022." Livestock producers were eligible for a portion of these losses under LFP; however, that program uses a static annual payment rate that does not adjust for rising feed costs within the year. ELRP 2022 is intended to help compensate for higher supplemental feed costs they may have incurred.[48]

Payments are calculated on livestock inventories and drought-affected forage acres reported on 2022 LFP applications. A livestock producer's gross LFP calculated payment in 2022 is multiplied by 90% for historically underserved producers—including beginning, limited resource, socially disadvantaged, and veteran farmers and ranchers—and by 75% for all other producers to determine the payment per month, per animal unit.[49] This payment is then multiplied by 25%

[46] USDA, FSA, "Emergency Relief Program (ERP 2022)," Track 1 fact sheet, October 2023, at https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/emergency-relief-program/pdfs/fsa_erp_2022_track_1_factsheet.pdf.

[47] The progressive factor is applied to ERP 2022 payments ranging from 100% for payments up to $2,000 to 10% for payments over $10,000. For example, if the estimated ERP payment were $2,000, then the progressive factor would be 100%. If the estimated ERP payment were $5,000, then the progressive factor would be 100% for the first $2,000, then 80% for the next $2,000, and 60% for the final $1,000, resulting in an adjusted payment of $4,200.

[48] USDA, FSA, "USDA Previews Emergency Relief Assistance for Agricultural Producers Who Incurred Losses Due to 2022 Natural Disaster Events," press release, May 19, 2023, at https://www.fsa.usda.gov/news-room/news-releases/2023/usda-previews-emergency-relief-assistance-for-agricultural-producers-who-incurred-losses-due-to-2022-natural-disaster-events.

[49] The gross LFP calculated payment is the amount calculated prior to any payment reductions (e.g., sequestration, (continued...)

based on available funds. Payments are expected to be issued automatically with no application required. Only LFP participants in 2022 are eligible for ELRP 2022.

Payment limits for ELRP are based on an individual's or entity's average AGI over a three-year period—2018, 2019, and 2020—depending on how much of that income is derived from farming.[50] Generally, payments are limited to $125,000 per person or legal entity. If more than 75% of the participant's AGI is from farming, then ELRP payments are limited to $250,000. The AGI eligibility thresholds that apply to farm commodity support programs and permanent disaster assistance programs, such as the "Supplemental Agricultural Disaster Assistance Programs" described above, do not apply in determining ELRP eligibility.

payment limitation, and exceeding the average Adjusted Gross Income limitation). For additional details, see the "Supplemental Agricultural Disaster Assistance Programs" section.

[50] Producers are assumed to be in the lowest payment limit category unless an exception to the payment limit is filed with USDA and documentation from a certified public accountant or attorney states that at least 75% of the person's or legal entity's average AGI was from adjusted gross farm income. Farm income includes income received or obtained from farming, ranching, and forestry operations.

Appendix. Supplemental Appropriations

Table A-1. Supplemental Appropriations and Ad Hoc Programs for Natural Disaster Assistance

nominal dollars

Fiscal Year (Calendar Year Loss)	Funding	Appropriation and Selected Congressional Direction	Ad Hoc Programs Created/Implemented
FY2018 (2017 losses)	$2.360 billion	Bipartisan Budget Act of 2018 (P.L. 115-123, Division B, Title I), for crop, tree, bush, and vine losses from a wildfire or hurricane, not covered under NAP or crop insurance. • Payments limited to 85% of loss for those who purchased NAP or crop insurance, and 65% for those who did not purchase NAP or crop insurance. • Allows for block grants. • Requires purchase of NAP or crop insurance for next two crop years.	Wildfires and Hurricanes Indemnity Program (WHIP), referred to as *2017 WHIP*; and block grant to Florida for citrus losses.
FY2019 (2018 and 2019 losses)	$3.005 billion	Additional Supplemental Appropriations for Disaster Relief Act of 2019 (P.L. 116-20, Title I), for crop, tree, bush, and vine losses from natural disasters that were not covered under NAP or crop insurance. • Adds losses not previously covered, such as crops that were prevented from being planted in 2019, on-farm stored commodities, quality-related losses, harvested adulterated wine grapes, and milk losses. • Expands eligible events to hurricanes, floods, tornadoes, typhoons, volcanic activity, snowstorms, and wildfires. • Payments limited to 90% of loss for those who purchased NAP or crop insurance, and 70% for those who did not purchase NAP or crop insurance. • Allows for block grants for forest restoration and poultry and livestock losses. • Requires purchase of NAP or crop insurance for next two crop years. • Lowers tree mortality threshold for TAP from 15% to 7.5% in 2018. • Provides $7 million for payments to whole farm revenue policy holders (crop insurance) whose payments were reduced due to assistance received through state-legislated disaster assistance programs.	Wildfires and Hurricanes Indemnity Program Plus (WHIP+); Milk Loss Program; On-Farm Storage Loss; Quality Loss Adjustment Program; Federal Crop Insurance Program Supplemental Prevented Planting Payments, referred to as *top-up payments*; and block grants to select states to cover livestock, poultry, and forestry losses.
FY2020 (2017, 2018, and 2019 losses)	[est. $1.500 billion]	Further Consolidated Appropriation Act (P.L. 116-94, Division B, §791), rescinds and repurposes unobligated funds from P.L. 115-123 (2017 WHIP) and reallocates it to the same purposes as P.L. 116-20 (WHIP+) with some additions. • Expands eligibility to include quality losses of crops, drought (extreme drought or higher intensity according to the *U.S. Drought Monitor*), and excessive moisture	See FY2018 and FY2019 funding above.

Fiscal Year (Calendar Year Loss)	Funding	Appropriation and Selected Congressional Direction	Ad Hoc Programs Created/Implemented
		• Covers losses due to Tropical Storm Cindy, peaches and blueberries due to freeze in 2017, and blueberry productivity losses in 2018. • Directs $400 million to block grants. • Pays sugar beet losses through cooperative processors.	
FY2022 (2020 and 2021 losses)	$10.000 billion	Disaster Relief Supplemental Appropriations Act of 2022 (P.L. 117-43, Division B, Title I), for crop, tree, bush, and vine losses not covered under NAP or crop insurance. • Includes crops that were prevented from being planted in 2020 and 2021, on-farm stored commodities, harvested adulterated wine grapes, quality loss of crops, and milk losses. • Eligible events include droughts, wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including polar vortex), smoke exposure, and excessive moisture. • Directs $750 million for livestock losses in 2021 due to drought and wildfire. • Payment limits are based on percentage of income from farming and are higher for specialty and high value crops. • Payments limited to 90% of loss for those who purchased NAP or crop insurance (minus premiums and fees paid), and 70% for those who did not purchase NAP or crop insurance. • Requires purchase of NAP or crop insurance for next two crop years.	Emergency Relief Program (ERP phase 1 and 2); Emergency Livestock Relief Program (ELRP); and Milk Loss Program.
FY2023 (2022 losses)	$3.741 billion	Disaster Relief Supplemental Appropriations Act, 2023 (passed as Division N of the Consolidated Appropriations Act, 2023 [P.L. 117-328]), for revenue, quality, or production losses not covered under NAP or crop insurance. • Losses include milk, on-farm stored commodities, crops prevented from being planted in 2022, and harvested adulterated wine grapes, other crops, trees, bushes, and vines. • Eligible events include droughts, wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freezes (including a polar vortex), smoke exposure, and excessive moisture. • Directs $494.5 million for livestock losses in 2022 due to drought and wildfire. • Includes other requirements from FY2022 regarding payment limits and NAP and crop insurance purchase requirements.	ERP-2022 (track 1 and 2); ELRP-2022; On-Farm Stored Commodities; and Milk Loss Program.

Source: CRS compiled using cited appropriations, and USDA press releases and websites.

Notes: Crop insurance refers to the Federal Crop Insurance Program, WHRP refers to a Whole Farm Revenue Policy under crop insurance, and NAP refers to the Noninsured Crop Assistance Program. Funding levels are in nominal dollars included in cited appropriation measures and not adjusted for inflation. Estimate shown in brackets to denote that the amount should not be included in totals as it reflects the repeal and repurpose of prior funds, not new funding. For additional information about the WHIP program, see CRS In Focus IF11539, *Wildfires and Hurricanes Indemnity Program (WHIP)*.

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