



## Federal Disaster Assistance for Agriculture

Several federal assistance programs are designed to address agricultural losses following a natural disaster through mechanisms 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 losses related to or caused by the disaster. The U.S. Department of Agriculture (USDA) administers these programs through three agencies: the Risk Management Agency (RMA), Farm Service Agency (FSA), and Natural Resources Conservation Service (NRCS). All of these programs have permanent authorizations. Many of the programs receive [mandatory funding](#) amounts of “such sums as necessary” and are not subject to annual discretionary appropriations. Other programs are funded through supplemental appropriations acts and annual appropriations. FSA’s emergency loan and disaster set-aside programs are the only two agricultural disaster programs that require a federal disaster designation. Some programs are subject to payment limits and eligibility criteria, and others are not (e.g., crop insurance).

**Table 1** provides a brief overview of permanently authorized USDA assistance programs for agricultural producers following a natural disaster. It is not comprehensive as it does not include temporary assistance programs, such as USDA’s Emergency Relief Program (ERP). Other programs for community water, housing, food assistance, and wildfire support offered by USDA are also not discussed.

### Types of Losses

Natural disasters create 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 USDA disaster assistance programs are to respond to natural disasters. These disasters include—but are 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 natural disasters. Manmade disaster conditions (e.g.,

exposure to toxic substances or chemicals) are generally excluded.

### Types of Support

USDA administers these programs through various mechanisms.

- Insurance—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 agricultural disaster assistance.

- CRS Report R42854, *Emergency Assistance for Agricultural Land Rehabilitation*
- CRS In Focus IF12731, *Federal Agricultural Assistance for Extreme Heat*
- CRS Report R46686, *Federal Crop Insurance: A Primer*
- CRS Report R48082, *Livestock Forage Disaster Program (LFP): Drought and Wildfire Assistance*
- CRS Report R48245, *The Noninsured Crop Disaster Assistance Program (NAP)*

CRS products are also available related to nonagricultural federal disaster assistance.

- General disaster response—CRS Report WMR10001, *CRS Guide to Federal Emergency Management*
- Response and recovery programs—CRS Report RL31734, *Federal Disaster Assistance Response and Recovery Programs: Brief Summaries*
- CRS Report WPD00111, *Federal Disaster Assistance for Businesses*
- CRS Report R47631, *Federal Disaster Assistance for Businesses: Summaries and Policy Options*

Table 1. USDA's Agricultural Disaster Assistance Programs

Program and Agency	Natural 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 eligible for certain crop insurance policies. Producer must purchase a policy prior to planting.	Crop loss in excess of 50%; 35% of intended acres for prevented planting; additional coverage available.	Indemnity payment issued after claim is filed, adjusted, and processed; unlimited program funding.
<b>Payments</b>				
<b>Livestock Indemnity Program (LIP)</b> payments for livestock death losses or livestock sold at a reduced sale price—FSA	All except drought (unless associated with anthrax)	Beef and dairy cattle, beefalo, buffalo, caribou, geese, ostriches, hogs, chickens, ducks, turkeys, sheep, goats, alpacas, deer, elk, emus, llamas, reindeer, and equine; no fee.	Livestock deaths in excess of normal mortality or sold at reduced sale price owing to adverse weather and disease.	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; qualifying fire on federally managed land; 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 (also 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 after application is processed; unlimited program funding.
<b>Tree Assistance Program (TAP)</b> payments for tree, bush, and vine losses—FSA	All (also 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) farm 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.	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.

**Note:** FSA = Farm Service Agency, NRCS = Natural Resources Conservation Service, and RMA = Risk Management Agency.

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