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U.S. Department of Agriculture Briefing on Hurricane Helene October 28, 2024 Overview Provided by:



OVERVIEW

For questions on the note below, please contact <u>Ruth Lunsford</u> at (434) 238-7224. On October 28, the United States Department of Agriculture (USDA), Farm Service Agency (FSA), Risk Management Agency (RMA), and National Resource Conservation Service (NRCS) held a briefing on the coordinated inter-agency response to Hurricane Helene impact on agriculture. Agency representatives were:

- Robert Bonney, Undersecretary for Farm Production and Conservation
- Terry Cosby, Natural Resources Conservation Service (NRCS) Chief
- **John Birch**, Farm Service Agency, Acting Deputy Administrator for Farm Programs
- Marcia Bunger: Risk Management Agency (RMA) Administrator
- Scott Marlow, Farm Service Agency (FSA) Senior Advisor

Below is a summary of the USDA, FSA, RMA, and NRCS briefing prepared for American Cotton Shippers Association (ACSA). It includes several high-level takeaways and the main discussion points. More information can be found at www.farmers.gov and by signing up for updates at Farmers.gov, as well as through the FSA hotline at (877) 508-8364. Farmers are encouraged to be familiar with Disaster Assistance Discovery Tool and the USDA Disaster Assistance Programs At a Glance.

Key Takeaways

• USDA offers a range of disaster response programs, including NRCS's EQIP and EWP, RMA's crop insurance and HIPWE, and FSA's emergency loans, ECP, EFRP, and ELA, among others. These programs aim to cover various needs from conservation and restoration to financial assistance and livestock support.

- Producers are strongly urged to meticulously document all losses, including taking time-stamped photos and preserving receipts. This documentation is crucial for accessing any assistance programs.
- USDA is focused on streamlining processes and offering flexibility in reporting, deadlines, and documentation requirements. This includes waivers, extended deadlines, and expedited processes. USDA emphasizes that they are here for the long haul and will continue to adapt and work with producers to ensure their recovery.
- Congress is discussing potential disaster legislation, which could provide additional assistance beyond the existing programs. Thorough documentation is crucial to be prepared for potential future assistance.
- USDA encourages stakeholders to stay updated on program developments through www.farmers.gov alerts and to contact their local offices for assistance.

SUMMARY

Programs Overview

NRCS:

- EQIP (Environmental Quality Incentives Program): Provides financial assistance for conservation practices on disaster-impacted land.
- EWP (Emergency Watershed Protection Program): Provides assistance to eligible sponsors (cities, counties, etc.) for watershed restoration projects. This program can include flood plain easements and buyouts.

RMA:

- Crop Insurance: Producers with crop insurance should report losses to their agents. The normal 72-hour notification period has been extended.
- Hurricane/Tropical Storm Endorsement (HIPWE): Provides index-based payments for hurricane-related losses, with payments often made within weeks.

FSA:

- Emergency Loans: Available to producers who need additional financial assistance.
- Disaster Set-Aside: Allows producers with direct loans to defer payments until the end of their loan term.
- Distressed Borrower Set-Aside: Provides a reduced interest rate for distressed borrowers, allowing them to defer one payment.
- ECP (Emergency Conservation Program): Provides assistance for restoring land to productive capacity.
- EFRP (Emergency Forest Restoration Program): Provides assistance for rehabilitating private forest lands.

- ELA (Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish): Provides assistance for livestock-related losses, including transportation costs and feed purchases.
- NAP (Non-Insured Crop Disaster Assistance Program): Provides assistance for production and/or quality losses for crops not covered by crop insurance.
- Marketing Assistance Loans: Provides extended deadlines for delivering commodities or repaying loans.
- Farm Storage Facility Loans: Provides a one-year installment deferral.
- Tree Assistance Program: Provides assistance for orchard losses due to tree damage.
- Livestock Indemnity Program (LIP): Provides assistance for livestock losses, taking into account any compensation provided by integrators.

Disaster Designation Process (John Birch - Farm Service Agency)

- Emphasized the swift implementation of presidential disaster declarations, with FSA activating disaster relief programs immediately upon FEMA's approval.
- Mentioned that FSA facilitated the Administrator's Physical Loss Notifications for counties without presidential disaster declarations but with physical damage.
- Highlighted the agency's collaboration with state governments and state operations to gather information and recommend additional disaster relief.

ELAP Updates (John Birch - Farm Service Agency)

- ELAP is providing assistance with grazing losses due to hurricanes and flooding, including up to 150 days of grazing on non-federally managed land.
- ELAP also assists with losses of purchased and produced bees due to hurricanes and with feed purchased above normal due to the hurricane.

ELAP Transportation and Water Hauling (John Birch - Farm Service Agency)

- FSA has authorized ELAP transportation assistance for hurricane-impacted states to cover above-normal costs for transporting livestock to feed or transporting feed and forage to livestock (\$6.60 per loaded mile).
- FSA has also authorized ELAP water hauling assistance for hurricane-impacted states to cover above-normal costs associated with water hauling (\$0.10 per gallon).
- Late-filed ELAP applications are accepted and considered by county committees, but FSA has extended the reporting period to January 30, 2025, to submit applications for 2024 losses.

Tree Assistance Program (John Birch - Farm Service Agency)

- The program provides financial assistance to eligible orchard and nursery tree growers to replant or rehabilitate trees, bushes, and vines lost due to hurricanes and other natural disasters.
- TAP assistance extends to trees, bushes, and vines that have not died but are no longer economically viable.
- Producers have until January 30, 2025, to submit notice of loss, and state committees can waive on-site inspection requirements.
 - TAP deadlines are based on the date of the disaster or when the loss becomes evident.
- The agency recognizes that producers may not realize the extent of tree loss until spring when the trees start to leaf out.
 - FSA is working on the issue of potential discrepancies between the agency's price list and producers' price lists.
- TAP can cover quality losses, not just crop losses.

Crop Insurance and Tree Coverage (Risk Management Agency)

- Crop insurance offers tree-based dollar amount coverage, ensuring replacement costs for damaged trees.
 - It also offers a Comprehensive Tree Value endorsement to cover future revenue losses caused by damage.
 - This endorsement is not available for all tree types but is available for many.
- The most important step for policyholders is to contact their crop insurance agent and keep them updated on potential losses.
 - Producers experiencing quality issues due to flooding should contact their crop insurance agent to discuss potential use changes (e.g., switching from fresh to processed fruit).
- RMA has issued emergency procedures to expedite payments and simplify the claims adjustment process for affected crops.
- These procedures include waiving appraisals where possible and addressing crops potentially adulterated due to flooding.

Emergency Conservation Program Flexibilities (John Birch, Farm Service Agency)

- The ECP provides funding and technical assistance to farmers and ranchers to restore farmland damaged by natural disasters.
 - ECP signup began on October 15, 2024, and runs through June 1, 2025, in states affected by Hurricane Helene.
 - Producers impacted by Hurricanes Debbie and Milton should contact their local county office for ECP sign-up updates.

- FSA waived the onsite inspection requirement to expedite the approval of restoration work for all ECP practices except engineering practices.
- Engineering practices, which disturb the soil below plow level (e.g., ponds, dams, buried pipelines), require onsite inspections.
- For EFRP activities to remove hazard trees up to 100 acres in aggregate, restoration plans are required.
- FSA authorized a waiver for producer requests for work start before submitting an application for certain non-ground disturbing activities, such as surface debris removal, fence repair, and hazard tree removal up to 100 acres in aggregate.
 - o Ground-disturbing activities require environmental screenings and cannot begin before application submission.
 - This includes stumping, removing tree roots, removing non-hazard trees, burning debris, and sediment removal impacting water bodies, wetlands, floodplains, riparian buffers, threatened or endangered species, cultural resources, and more.
- Participants are encouraged to submit dated photos, GPS points, imagery, and maps of the affected areas.

Debris Removal and Land Rehabilitation (NRCS)

- NRCS provides assistance under two practice standards for debris removal and land rehabilitation available with EWP.
 - Obstruction Removal (Conservation Practice Standard 500): Applies to sites where removing obstructions is necessary to address resource concerns or support other conservation practices.
 - Clearing and Snagging (Conservation Practice Standard 326): Primarily applies to watercourses, streams, and channels, removing vegetation or other obstructions from those areas.
- Applications must be on hand before practices begin.
- States are issuing Early Start waivers to allow work to commence while eligibility is being determined.

Importance of Documentation (NRCS)

- Producers are encouraged to contact their local service center for assistance.
 - o If the local service center is closed, they can contact the state office.
- It is important to document the disaster on the application, as some restoration work may not be immediate and may require 12-18 months before work can begin.

DISCUSSION

• EWP: Funding for EWP is likely needed from Congress due to increased demand.

- ECP: Documentation is crucial for all programs. Prior approval is not required for certain practices under ECP.
- ELA: ELA provides assistance for forage losses due to destroyed grazing land. Crop insurance is available but must be purchased before the disaster event.
- EQIP: Advance payments are available to historically underserved producers.
- NAP: NAP payments are considered as income for whole farm revenue protection or micro farm policies.
- LIP: Compensation from integrators to contract poultry growers will impact LIP payments.
- EQIP: Producers who have hit payment limitations in previous years can reapply. The payment limit reset on October 1st.
- Farm Loans: FSA provides options for deferral of payments and debt servicing but does not currently offer debt cancellation.
- Prior Practices: Producers with existing EQIP contracts can reapply for practices that have failed due to the storm.
- Exigency Provisions (EWP): Projects requiring immediate attention can be addressed under exigent provisions.