Overview

Agriculture-related disasters and disaster designations are quite common. Many counties in the United States have been designated as disaster areas in the past several years, even in years of record crop production.

The Secretary of Agriculture is authorized to designate counties as disaster areas to make emergency (EM) loans available to producers suffering losses in those counties and in counties that are contiguous to a designated county. In addition to EM loan eligibility, other emergency assistance programs, such as Farm Service Agency (FSA) disaster assistance programs, have historically used disaster designations as an eligibility trigger.

Types of Disaster Designations

FSA administers four types of disaster designations:

- U.S. Department of Agriculture (USDA) Secretarial disaster designation;
- Presidential major disaster and Presidential emergency declaration;
- FSA Administrator’s Physical Loss Notification (APLN); and
- Quarantine designation by the Secretary under the Plant Protection Act or animal quarantine laws.

USDA Secretarial disaster designations must be requested of the Secretary of Agriculture by a governor or the governor’s authorized representative, by an Indian Tribal Council leader or by an FSA State Executive Director (SED). The Secretarial disaster designation is the most widely used. There is an expedited process for drought. The general process and the expedited process are described in further detail under “Secretarial Disaster Designation Process.”

Presidential major disaster declarations, which must be requested of the President by a governor, are administered through the Federal Emergency Management Agency (FEMA). A Presidential major disaster declaration can be made within days or hours of the initial request. FEMA immediately notifies FSA of the primary counties named in a Presidential declaration.

An FSA APLN is for physical losses only, such as a building destroyed by a tornado. Livestock-related losses are considered physical losses. An APLN is requested of FSA’s Administrator by an FSA SED.

A quarantine designation is requested of the Secretary of Agriculture by an FSA SED. A quarantine designation authorizes EM loans for production and physical losses resulting from quarantine.

What Does a Disaster Designation Specify?

A disaster designation specifies:

- The disaster that resulted in the designation;
- The incident period (dates) of that disaster; and
- The specific counties included in the designation.

Secretarial Disaster Designation Process

USDA’s Secretarial disaster declaration process is streamlined to reduce paperwork and documentation requirements at the local FSA level, making the process more efficient and timely for agricultural producers. The process includes Fast Track Secretarial disaster designations for severe drought, which provide for a nearly automatic designation when, during the growing season, any portion of a county meets the D2 (Severe Drought) drought intensity value for eight consecutive weeks or a higher drought intensity value for any length of time as reported in the U.S. Drought Monitor (http://droughtmonitor.unl.edu).
EMERGENCY DISASTER DESIGNATION AND DECLARATION PROCESS

For all other natural disaster occurrences, including drought conditions that do not trigger a Fast Track designation, the county must have a 30 percent production loss of at least one crop or a determination must be made by surveying producers that other lending institutions will not be able to provide emergency financing. The process for those Secretarial disaster designations is described below.

Process

STEP 1
The governor, Indian Tribal Council leader or FSA SED makes a request in writing to the Secretary of Agriculture within three months of the ending date of the disaster.

STEP 2
FSA county offices assemble required agricultural loss information for the Loss Assessment Report.

STEP 3
The County Emergency Board reviews the Loss Assessment Report to determine if a 30 percent production loss of at least one crop occurred, and makes a recommendation to approve, defer or reject the request.

STEP 4
The State Emergency Board reviews the request and the County Emergency Board’s recommendation. The State Emergency Board’s recommendation is submitted to FSA’s national headquarters.

STEP 5
FSA national headquarters reviews the loss information on the Loss Assessment Report, determines eligibility and prepares a package, including the letter of approval or disapproval, to be signed by the Secretary.

Eligible Natural Disasters

Eligible natural disasters are disasters in which damaging weather conditions or other adverse natural occurrence phenomena have substantially affected farmers causing severe production losses. Eligible natural disaster conditions include, but are not limited to, drought, flooding, excessive rain and humidity, severe storms, lightning, hail, mudslides and landslides, snow, ice, blizzards, frost, freeze, below-normal temperatures, wind, tornadoes, hurricanes, typhoons, tropical storms, fire, excessive heat, volcanoes, pests and disease.

FSA Programs Initiated by Designations and/or Declarations

All types of designation or declaration (Secretarial disaster designations, Presidential disaster declarations, APLNs and quarantine designations) immediately trigger the availability of low-interest FSA EM loans to eligible producers in all primary and contiguous counties. More information about EM loans is available at www.fsa.usda.gov/programs-and-services/farm-loan-programs/emergency-farm-loans/index. FSA borrowers located in designated disaster areas or contiguous counties, who are unable to make their scheduled payments on any debt, may be authorized to have certain set asides. Under Section 331A of the Consolidated Farm and Rural Development Act, FSA is authorized to consider setting aside certain payments owed by FSA borrowers to allow the operation to continue.

Various other programs may reference designations or declarations as is determined appropriate in program development.

Regulation Governing Disaster Designation Process

The regulation governing disaster designations is at 7 CFR Part 759.

For More Information

This fact sheet is for informational purposes only; other restrictions may apply. For more information about FSA disaster programs, visit http://disaster.fsa.usda.gov or contact your local FSA office. To find your local FSA office, visit http://offices.usda.gov.

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