USDA Begins Issuing Payments for Spot Market Hog Pandemic Program

The U.S. Department of Agriculture (USDA) is increasing the amount of funding available for the Spot Market Hog Pandemic Program (SMHPP) and expects to issue approximately $62.8 million in pandemic assistance payments to hog producers starting this week. SMHPP assists eligible producers who sold hogs through a spot market sale from April 16, 2020, through Sept. 1, 2020. USDA’s Farm Service Agency (FSA) accepted SMHPP applications through April 29, 2022.

SMHPP Payments

SMHPP payments will be calculated by multiplying the number of head of eligible hogs, not to exceed 10,000 head, by the payment rate of $54 per head.

FSA originally planned to apply a payment factor if calculated payments exceeded the allocated $50 million in pandemic assistance funds for SMHPP. Payments are not expected to be factored due to Agriculture Secretary Tom Vilsack’s decision to increase funding enabling producers to receive 100% of the calculated SMHPP payment.

There is no per person or legal entity payment limitation on SMHPP payments.

SMHPP Background

USDA offered SMHPP in response to a reduction in packer production due to the COVID-19 pandemic, which resulted in fewer negotiated hogs being procured and subsequent lower market prices. The program is part of USDA’s broader Pandemic Assistance for Producers initiative and addresses gaps in previous assistance for hog producers.

Urban Producers, Public Invited to Attend Federal Advisory Committee for Urban Agriculture and Innovative Production
Meeting to be held August 5, 2022

USDA encourages urban producers and others to attend the second public meeting of the Federal Advisory Committee for Urban Agriculture and Innovative Production on August 5. The Committee will discuss new urban conservation practices, focus areas and priorities for the Commission, and the new Farm Service Agency (FSA) urban county committees, among other topics.

Read more and register Urban Producers, Public Invited to Attend Federal Advisory Committee for Urban Agriculture and Innovative Production (usda.gov).

Deadline Extended and More Pre-Filled Forms For 2020 and 2021 Disasters on the Way

More Producers to Soon Receive Applications for over $105 Million in Additional Emergency Relief

The U.S. Department of Agriculture (USDA) today announced that it will indefinitely extend the deadline for producers to return the pre-filled applications for Phase One of the Emergency Relief Program (ERP). A new deadline will be announced after the last Phase One applications are mailed and provide at least 30 days following the mailing.

Continuing to build on the initial mailing of pre-filled applications in May, the Department will continue using existing information in USDA and crop insurance files to send additional pre-filled applications starting this week for potentially eligible Noninsured Crop Disaster Assistance Program (NAP) participants. Once applications from eligible NAP producers are returned, these producers are expected to receive about $105 million in ERP payments for eligible losses from 2020 and 2021 disasters.
USDA’s Farm Service Agency (FSA) is now mailing pre-filled applications to NAP producers through ERP to offset crop yield and value losses. To receive a relief payment, producers should complete and return the applications by announced deadlines.

Producers are expected to receive assistance direct deposited into their bank account within three business days after they sign and return the prefilled application to the FSA county office and the county offices enters the application into the system.

While most crop insurance customers that may be eligible for ERP Phase One received the pre-filed applications in May, there are some who should expect to receive a form in August including:

- Producers who had an eligible loss in 2020 that had been recorded in the crop insurance records as a 2019 loss (e.g., prevented planting claims); and
- Producers with policies that required additional information before being able to calculate an indemnity for 2021 losses (producers with 2020 losses would have already received that application). Policies that required additional information include Supplemental Coverage Option (SCO), Enhanced Coverage Option (ECO), Stacked Income Protection Plan (STAX), Margin Protection Plan (MP) or Area Risk Protection Insurance (ARPI).

Producers without risk management coverage through crop insurance or NAP and those with shallow losses may be covered by the forthcoming Phase Two of ERP.

USDA estimates that Phase One ERP benefits will reach more than 5,200 producers with NAP coverage for eligible 2020 and 2021 crop losses. This emergency relief complements ERP assistance recently provided to more than 162,000 producers who had received crop insurance indemnities for qualifying losses. Nearly 13,000 additional crop insurance customers will also receive pre-filled applications in August to cover eligible 2020 losses described above and for producers with more complex policies where indemnities could not be calculated for 2021 previously.

ERP and the previously announced Emergency Livestock Relief Program (ELRP) are funded by the Extending Government Funding and Delivering Emergency Assistance Act, which President Biden signed into law in 2021. The law provided $10 billion to help agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021. Overall, USDA has already quickly disbursed over $6 billion dollars under ERP and ELRP with reduced paperwork for the producer and field offices.

For more information on ERP eligibility, program provisions for socially disadvantaged or historically underserved producers as well as Frequently Asked Questions, NAP applicants can visit FSA’s Emergency Relief webpage and program fact sheet.

Additional USDA disaster assistance information can be found on farmers.gov, including the Disaster Assistance Discovery Tool, Disaster-at-a-Glance fact sheet and Farm Loan Discovery Tool. For FSA and Natural Resources Conservation Service programs, producers should contact their local USDA Service Center. For assistance with a crop insurance claim, producers and landowners should contact their crop insurance agent.