

**United States Department of Agriculture
Farm Service Agency**

FINDING OF NO SIGNIFICANT IMPACT (FONSI)

Disaster Assistance Programs

September 15, 2006

Introduction

The United States Department of Agriculture Farm Service Agency (FSA) has prepared a Programmatic Environmental Assessment for the following Disaster Assistance Programs to evaluate the environmental consequences associated with their implementation: the Hurricane Assistance Programs include: 1) Hurricane Indemnity Program (HIP), 2) Feed Indemnity Program (FIP), 3) Livestock Indemnity Program (LIP), 4) Tree Indemnity Program (TIP), and 5) Aquaculture Grant Program (AGP) as well as 6) the 2006 Livestock Assistance Grant Program (LAGP) associated with the severe droughts occurring from March 7, 2006 to August 31, 2006. Because normal agricultural related production was hindered by the widespread and significant destruction caused by the 2005 hurricanes and the severe droughts, the Secretary is responding by utilizing the equivalent of 30 percent of annual customs revenues available under Section 32 to restore purchasing power to affected eligible producers.

Current disaster programs operated by USDA and other Federal and/or State agencies do not fully cover the types of loss and destruction experienced by a majority of producers within these States. Without the immediate financial assistance provided by these programs, producers would face delays and experience additional financial hardships in their efforts to return their farming or livestock operations to pre-disaster levels. Implementation of the Preferred Alternative involves disaster assistance programs that solely transfer of funds to offset production and disaster related losses with no site-specific or ground-disturbing actions occurring as an immediate result of implementing these programs.

The Secretary of Agriculture (the Secretary) has determined that \$250 million appropriated under Section 32 of the Agricultural Adjustment Act of 1935, as amended, will be used to provide disaster assistance to producers in Presidential or Secretarial-designated primary counties who suffered crop, feed and livestock losses, and destroyed or damaged trees due to hurricanes occurring in 2005. Additionally, \$50 million will be provided in state block grants to help livestock producers partially recover forage production losses due to certain severe drought conditions that occurred during 2006. This authority has been used in the past to provide assistance to producers in response to unusual market conditions that adversely affected them.

Preferred Alternative

FSA would fully implement the following financial assistance programs: TIP, HIP, LIP, FIP, AGP, and LAGP within the eligible States. Approximately, \$300 million of Section 32 funds would be provided to eligible agricultural or livestock producers in the form of direct payments or State administered grants and is considered FSA's Preferred Alternative.

Reasons for Finding of No Significant Impact

In consideration of the analysis documented in the Programmatic Environmental Assessment for the Disaster Assistance Programs and the reasons outlined in this FONSI, the Preferred Alternative would not constitute a major State or Federal action that would significantly affect the human environment the Preferred Alternative solely involves the dispersion of funds either in the form of direct payments to the

producer or providing money in the form of State grants to eligible States for their dispersion to affected producers. In making these types of direct payments, FSA does not require that payments be used for specific purposes nor does FSA have control over what the payments are used for. These programs solely provide payments for weather related losses that occurred to those eligible producers. These payments are based on the producers documenting the type and amount of weather related loss.

Determination

In accordance with the National Environmental Policy Act and FSA’s Environmental regulations at section 1502.4: Major Federal actions requiring the preparation of Environmental Impact Statements, and 7 CFR Part 799: Environmental Quality and Related Environmental Concerns—Compliance with NEPA implementing the regulations of the Council on Environmental Quality, 40 CFR parts 1500-1508, I find that neither the proposed action nor any of the alternatives is a major Federal action significantly affecting the quality of the human environment. Therefore, no environmental impact statement will be prepared.

APPROVED:	On File	09-15-2006
	_____	_____
	Signature	Date (MM-DD-YYYY)
	 Mike Linsenbigler	

	Name	
	 CEPD Deputy Director	

	Title	

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