

USDA Announces Block Grants For Three States as Part of Broader Disaster Relief Package

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Washington, D.C., November 8, 2019 – U.S. Secretary of Agriculture Sonny Perdue announced the U.S. Department of Agriculture (USDA) will make available \$800 million to agricultural producers in Alabama, Florida, and Georgia affected by hurricanes Michael and Florence. The state block grants are part of a broader \$3 billion package to help producers recover from 2018 and 2019 natural disasters, which includes the Wildfire and Hurricane Indemnity Program-Plus (WHIP+) as well as programs for loss of milk and stored commodities.

"Natural disasters dealt producers some hefty blows in the past couple of years," said Secretary Perdue. "This relief complements USDA's tool chest of disaster assistance programs and crop insurance. In many cases, these special programs help us better reach producers who suffered substantial losses beyond what our regular programs cover. While we can't make producers whole, we can give them a helping hand to get back on their feet and prepare for next year's planting and harvest."

USDA and the governor's office in Florida and the state departments of agriculture in the other two states are working out final details for the grants, which will cover qualifying losses not covered by other USDA disaster programs. Grant funding will cover losses of timber, cattle, poultry, as well as for necessary expenses related to losses of horticulture crops and present value losses associated with pecan production.

For covered commodities, USDA's <u>Farm Service Agency</u> (FSA) opened signup for WHIP+ in September and has since distributed millions of dollars in assistance to producers throughout the country to help with recovery from 2018 and 2019 disasters. Signup for the program continues into 2020.

WHIP+, the block grants, the <u>Milk Loss Program</u> and the <u>On-Farm Storage Loss Program</u> were authorized by the Additional Supplemental Appropriations for Disaster Relief Act of 2019.

Other Assistance

USDA crop insurance programs paid in 2018 indemnities of \$489 million to producers affected by the hurricanes that devastated the Southeast. Many producers in the area also have received help through USDA's <u>Emergency Conservation Program</u>, <u>Environmental Quality Incentives Program</u> or <u>Emergency Forest Restoration Program</u>.

Farmers affected by flooding and excess moisture in 2019 have received assistance through the prevented planting provisions in their crop insurance policies. So far this year, producers have reported they were prevented from planting on nearly 20 million acres, a modern record. Indemnities from crop insurance have surpassed \$4 billion this year, with almost \$3.9 billion of that going to producers unable to plant because of flooding or excess moisture.

The Disaster Relief Act also authorized a "top-up" payment for producers who made prevented planting claims. USDA has distributed through producers' Approved Insurance Providers nearly \$570 million in top-up payments. Additional payments will be made in the middle of each month as more prevented planting claims are processed.

Farmers who planted cover crops on prevented plant acres were able to hay, graze or chop those fields earlier than November this year while maintaining eligibility for their full 2019 prevented planting indemnity. USDA adjusted the 2019 final haying and grazing date from November 1 to September 1 to help farmers who were prevented from planting because of flooding and excess rainfall this spring. The agency also determined that silage, haylage and baleage should be treated in the same manner as haying and grazing for this year.

Other USDA disaster assistance programs include ones for losses of trees, bushes, vines, bee hives, farm-raised fish and livestock. And to help producers prepare for and recover from catastrophic natural disasters, USDA provides credit through emergency loans and through feed and forage loss compensation, watershed protection, noninsured crops coverage and land rehabilitation programs.

USDA also has accommodated producers affected by weather-related challenges by increasing program availability and flexibility. USDA's <u>Risk Management Agency</u> (RMA), which administers federal crop insurance, has assisted producers this year by <u>deferring accrual of interest</u> on insurance premiums and <u>extending acreage reporting deadlines</u>. Additionally, USDA has made payments through the <u>Market Facilitation Program</u> to producers suffering from the effects of retaliatory tariffs on their products from some U.S. trading partners.

For More Help

Producers affected by disasters are encouraged to visit the <u>Disaster Assistance Discovery Tool</u> on <u>farmers.gov</u>, which will help them gain a better understanding of available programs.

To learn more about or apply for WHIP+ and other USDA disaster assistance programs, producers should contact their local <u>USDA service center</u> or visit <u>farmers.gov</u>. To learn more about crop insurance, producers should visit <u>rma.usda.gov</u>.

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