

USDA Announces Corrections to Emergency Relief Program Policy to More Accurately Reflect 2020 and 2021 Natural Disaster Impacts on Crops Intended for On-Farm Use

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Duplicative payment provisions for two key conservation programs also clarified?

WASHINGTON, June 14, 2023 – The U.S. Department of Agriculture (USDA) is updating the <u>Emergency Relief Program (ERP) Phase Two</u> to provide a method for valuing losses and accessing program benefits to eligible producers of certain crops, including grapes grown and used by the same producer for wine production or forage that is grown, stored and fed to livestock, that do not generate revenue directly from the sale of the crop. These updates ensure that ERP benefits are more reflective of these producers' actual crop losses resulting from 2020 and 2021 natural disaster events. USDA's Farm Service Agency (FSA) will begin accepting ERP Phase Two applications from eligible wine grape and forage producers once this technical correction to ERP is published in the Federal Register and becomes effective, which it anticipates will be on Friday, June 16, 2023. The deadline to submit applications for ERP Phase Two is July 14.

"When designing and implementing new programs for a sector as diverse and complex as agriculture, it's almost inevitable that we encounter situations that we had not previously considered. The updates to the Emergency Relief Program that we are announcing today address the unique needs of producers of crops that are used on-farm and may not generate sales revenue," said Zach Ducheneaux, Farm Service Agency Administrator. "I am grateful for our frequent conversations with producers, along with commodity and stakeholder groups, that helped us address existing gaps in this crucial disaster assistance program. FSA will continue to be nimble from a policy standpoint to try to provide assistance to all who need the help."

Background

In January 2023, FSA announced ERP Phase Two, designed to wrap-up and fill remaining gaps in previous natural disaster assistance for 2020 and 2021.

To be eligible for ERP Phase Two, producers must have suffered a decrease in allowable gross revenue in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event. Assistance is primarily for producers of crops that were not covered by Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program since crops covered by Federal Crop Insurance and NAP were included in the assistance under ERP Phase One administered in 2022.

Determining Crop Value

Producers of certain crops now have a method for including crop value in their allowable gross revenue for the purpose of determining ERP Phase 2 benefits.

The value of the eligible crop intended for on-farm use will be based on the producer's actual production of the crop and a price for the crop as determined by FSA's Deputy Administrator for Farm Programs based on the best available data for each crop such as published crop price data or the average price obtained by other producers in the area. Acceptable, published sources including but are not limited to Federal Crop Insurance Corporation established prices, FSA established National Crop Table prices and National Agricultural Statistic Service prices.

<u>Revenue and pricing guidelines</u> for expected revenue for wine grapes and on-farm forage is available online for producer reference and convenience when applying for ERP Phase Two.

Wine grape and forage producers who have already submitted their ERP Phase Two applications to FSA have the option of revising the application and updating their allowable gross revenue to include crop value if applicable.

Producers of crops grown for on-farm use other than wine grapes and forage may request consideration to use a crop's value in their allowable gross revenue. Submit requests to <u>RA.FSA.DCWA2.ppb@wdc.usda.gov</u>. FSA's Deputy Administrator for Farm Programs will review submitted requests.

Additional Technical Corrections – Conservation Programs

In addition to emergency relief policy updates, FSA has also established policy corrections for the Emergency Conservation Program (ECP) and the Emergency Forest Restoration Program (EFRP). The policy correction clarifies that federal payments received for the same practice will be considered duplicative assistance for producers who receive ECP and EFRP program payments. The revised program provisions are related to program updates FSA announced in January that give more

farmers, ranchers, and tribes the opportunity to apply for and access programs that support recovery following natural disasters (see <u>January 10, 2023 news release</u> for more information).

ECP and EFRP provide financial and technical assistance to restore conservation practices like fencing, damaged farmland or forests following natural disasters.

More Information??

FSA offers an online <u>ERP tool</u> to help producers determine what is considered allowable gross revenue..? Producers should contact their local FSA office to make an appointment to apply for ERP Phase Two. Producers should also keep in mind that July 15 is a major deadline to complete acreage reports for most crops. FSA encourages producers to complete the ERP Phase Two application and acreage report during the same office visit.??Applications for the Pandemic Assistance Revenue Program, a revenue-based program for losses resulting from the pandemic, can also be completed. ? For more information, view the?<u>ERP Phase Two Fact Sheet</u>, <u>PARP Fact Sheet</u>, the?<u>ERP Phase Two-PARP Comparison Fact Sheet</u>, <u>ERP Phase Two application video tutorial</u>, <u>PARP application video tutorial</u>, <u>MARP application</u> video tutorial, myth-buster blog or contact your local USDA Service Center. ???

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America.

To learn more, visit <u>usda.gov</u>.

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