

Background

Authorized by the American Relief Act, 2025, the Supplemental Disaster Relief Program provides disaster relief payments to eligible producers who suffered revenue, quality, or production losses to crops, trees, bushes, or vines due to qualifying disaster events in calendar years 2023 and 2024.

Overview

USDA's Farm Service Agency (FSA) is delivering SDRP assistance to eligible producers in two stages. Producers can receive payments in both stages, if applicable, and for one or both years, depending on losses.

Stage 1: Indemnified Losses	Leverages existing Federal Crop Insurance or Noninsured Crop Disaster Assistance Program (NAP) data as the basis for calculating payments.
Stage 2: Uncovered Losses	Provides payments to eligible producers for losses of crops, trees, bushes, and vines that were not indemnified. These losses are also known as uncovered or shallow losses.

The signup period for Stage 1 opened on July 7, 2025. Details regarding Stage 2 will be provided at a later date.

Eligibility

Eligible losses must be due to wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought, and related conditions occurring in calendar years 2023 and/or 2024. Related conditions, include:

- Excessive wind that occurred as a direct result of a derecho.
- Silt and debris that occurred as a direct result of flooding.
- Excessive wind, tornadoes, storm surges, tropical storms, and tropical depressions that occurred as a direct result of a hurricane.
- Excessive wind and blizzards that occurred as a direct result of a winter storm.

Drought losses must have occurred in a county rated by the <u>U.S. Drought Monitor</u> as having a D2 (severe drought) for eight consecutive weeks, D3 (extreme drought) or greater intensity level during the applicable calendar year. A list of counties that are eligible for SDRP due to drought for 2023 and 2024 is available at <u>fsa.usda.gov/sdrp</u>.



The American Relief Act authorized \$220,000,000 to provide block grants to eligible States to provide compensation to producers for necessary expenses related to crop, timber, and livestock losses, including on-farm infrastructure resulting from adverse weather events in 2023 or 2024 that a State determines warrants such relief. FSA is establishing block grants with Connecticut, Hawaii, Maine, and Massachusetts that will cover crop losses; therefore, producers with losses in these states will not be eligible for SDRP program payments.

Eligible Producers

To be eligible for SDRP, persons or legal entities must be a U.S. citizen, resident legal alien, partnership consisting solely of U.S. citizens, a legal entity organized under State law, or an Indian tribe or tribal organization defined in the Indian Self-determination and Education Assistance Act. Producers must also have an ownership share and share in the risk of producing the crop.

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How to Apply

For Stage 1, FSA is using a streamlined, pre-filled application process for eligible crop, tree and vine losses leveraging existing NAP data as well as data on file with RMA for losses covered by certain federal crop insurance policies. SDRP applicants can review and sign the pre-filled SDRP application mailed to producers and return to their FSA county office by one of the following methods:

- In-person
- Electronically using Box and One-span
- Fmail
- Fax
- Visit a local FSA county office to request an application.

In addition to submitting the FSA-526, Supplemental Disaster Relief Program (SDRP) Stage 1 Application, producers must have the following forms on file with FSA:

- Form AD-2047, Customer Data Worksheet
- Form CCC-902, Farm Operating Plan for an individual or legal entity
- Form CCC-901, Member Information for Legal Entities (if applicable)
- Form FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs (if applicable). This form must be on file for all applicable crop years to be eligible for the payment limitation exception.
- SF-3881, Direct Deposit
- AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification

Most producers who have previously participated in FSA programs, likely have these forms on file. However, those who are uncertain and want to confirm the status of their forms, can contact their **local FSA county office**.



Stage 1 Payment Calculation

Stage 1 payments are based on the SDRP adjusted NAP or Federal crop insurance coverage level the producer purchased for the crop. The net NAP or net Federal crop insurance payments (NAP or crop insurance indemnities minus administrative fees and premiums) will be subtracted from the SDRP calculated payment amount.

The tables below show the adjusted SDRP coverage level based on the producer's selected crop insurance or NAP coverage level.

SDRP COVERAGE LEVEL		
CROP INSURANCE LEVEL	ADJUSTED SDRP COVERAGE LEVEL (PERCENT)	
Catastrophic coverage	75	
More than catastrophic coverage but less than 55 percent	80	
At least 55 percent but less than 60 percent	82.5	
At least 60 percent but less than 65 percent	85	
At least 65 percent but less than 70 percent	87.5	
At least 70 percent but less than 75 percent	90	
At least 75 percent but less than 80 percent	92.5	
At least 80 percent	95	

NAP ASSISTANCE STAGES		
NAP COVERAGE LEVEL	ADJUSTED SDRP COVERAGE LEVEL (PERCENT)	
Catastrophic coverage	75	
50 percent	80	
55 percent	85	
60 percent	90	
65 percent	95	

For stage 1, the total SDRP payment to indemnified producers will not exceed 90 percent of the loss and an SDRP payment factor of 35 percent will be applied to all stage 1 payments. If additional SDRP funds remain, FSA may issue a second payment.

For an SDRP payment estimate, producers are encouraged to visit **fsa.usda.gov/sdrp** to use the SDRP online calculator.

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Payment Limitation

The payment limitation for SDRP for 2023 and 2024 is determined by the person's or legal entity's average adjusted gross farm income (income derived from farming, ranching, and forestry operations). Specifically, a person or legal entity, other than a joint venture or general partnership, cannot receive, directly or indirectly, more than \$125,000 in payments for each year under SDRP 2023 and 2024 if their average adjusted gross farm income is less than 75 percent of their average AGI for the applicable base period. (2023 tax years are 2021, 2020, and 2019. 2024 tax years are 2022, 2021, and 2020.)

If at least 75 percent of the person or legal entity's average AGI is derived from farming, ranching, or forestry related activities and the participant provides the required certification and documentation, as discussed below, the person or legal entity, other than a joint venture or general partnership, is eligible to receive, directly or indirectly, up to \$250,000 in SDRP 2023 and 2024 payments.

To request the increased payment limitation, participants must file form FSA-510 complete with participant's certification their average adjusted gross farm income is at least 75 percent of their average AGI and a certification from a Licensed Certified Public Accountant (CPA) or Attorney that the participant meets the requirements. This form is required to be on file for each year the payment limit exception is requested.

Future Insurance Coverage Requirements

All producers who receive SDRP payments are required to purchase **federal crop insurance** or **NAP** coverage for the next two available crop years at the 60 percent coverage level or higher. Producers who fail to purchase crop insurance for the next two available crop years will be required to refund the SDRP payment, plus interest, to USDA.

For More Info

USDA launched the **2023/2024 Supplemental Disaster Assistance public landing page** where the status of
USDA disaster assistance and block grant rollout timeline
can be tracked. Additional USDA disaster assistance
information can be found on farmers.gov, including the **Disaster Assistance Discovery Tool, Disaster-at-a- Glance fact sheet**, and the **Loan Assistance Tool**.

To learn more, scan the QR Code below.





