

Agricultural Outlook Forum 2008

**“Implementing USDA Farm
Disaster Programs”**

**John A. Johnson
Deputy Administrator for Farm Programs**



What is the Farm Service Agency (FSA)?

- **FSA was created in 1994, and administers commodity, conservation, and farm lending programs to about 2 million agricultural producers.**
- **The Agency's name has changed over the years; however, our relationship with farmers and ranchers dates back to the 1930's.**
- **FSA Programs are legislated through:
Farm Bills (passed every 5 to 6 years), Annual Appropriations, and Disaster Emergency Acts.**



U.S. Drought Monitor Usage by FSA

- **State FSA Committees are authorized to approve emergency haying and/or grazing of certain land enrolled in CRP for an area or county within their State when the U.S. Drought monitor attains D3 or D4.**
- **Informs FSA at the National Office of conditions in areas seeking approval of emergency haying and/or grazing which has not attained D3 or D4.**
- **Informs FSA at the National Office of drought conditions to support requests for funding under the Emergency Conservation Program.**
- **Lack of moisture verification for prolonged precipitation deficiencies that exceed the D2 level for reviewing prevented planted claims for nonirrigated crops.**



U.S. Drought Monitor Usage by FSA

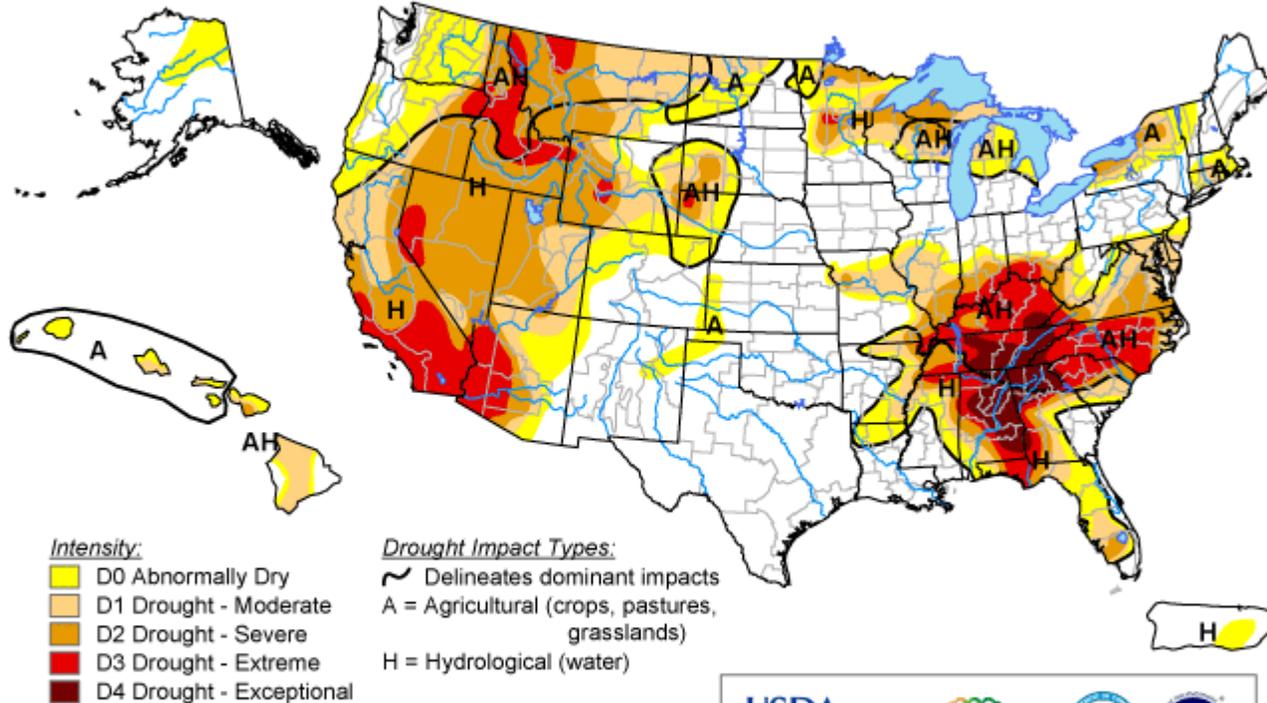
- **2006 Livestock Assistance Grant Program – \$50 Million in state block grants - County must have experienced D3 or D4 during March 7, 2006, to August 31, 2006.**
- **2003 Surplus Non-fat Dry Milk Sales for Feed Program – Producers in counties must have met one of the two following criteria to be eligible:**
 - **County was included in D4 as determined on March 13, 2003**
 - **County has been located in D4 at any time between September 1, 2003, and March 13, 2003, and was located in a D3 category on March 13, 2003.**



U.S. Drought Monitor

September 25, 2007

Valid 8 a.m. EDT



The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

<http://drought.unl.edu/dm>

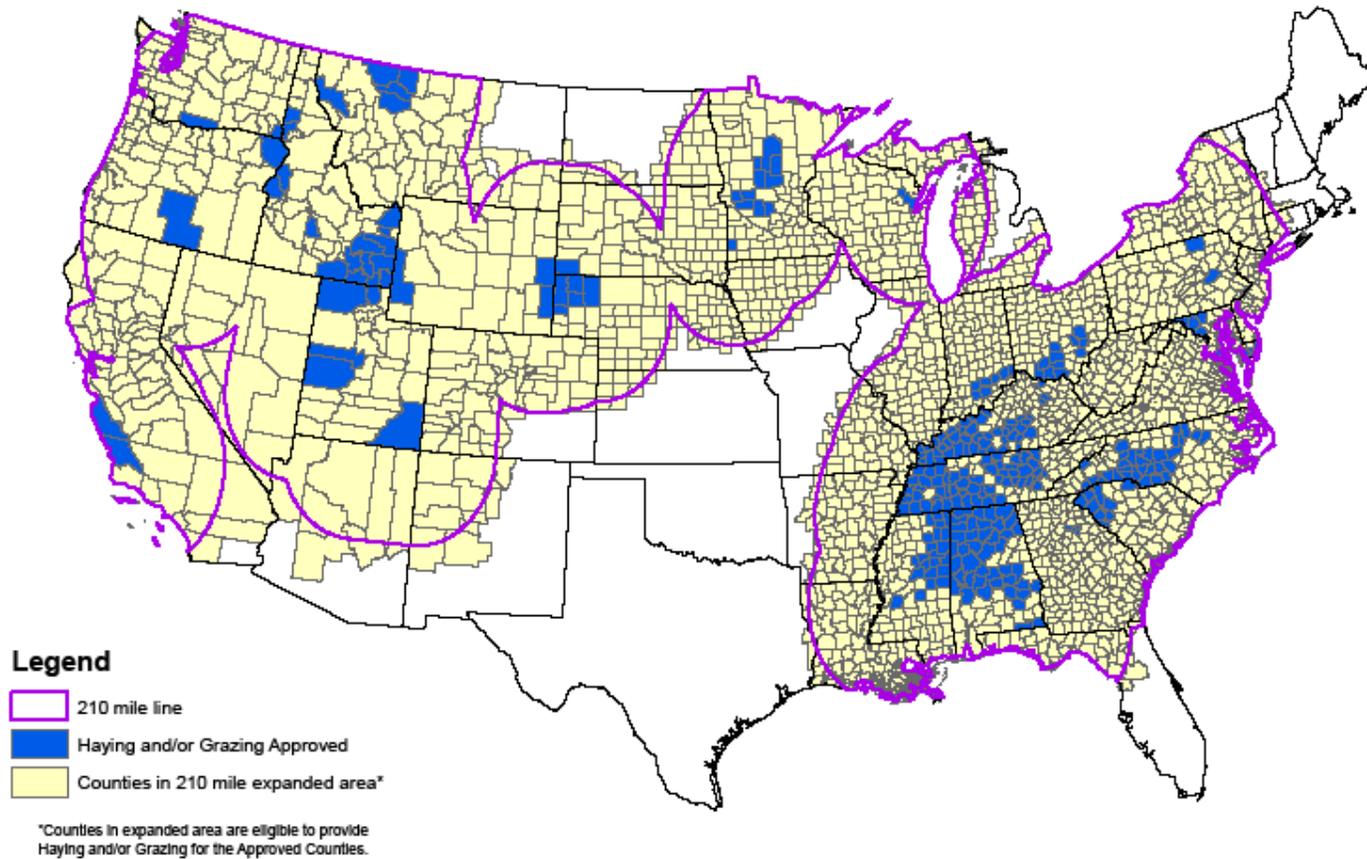


Released Thursday, September 27, 2007

Author: David Miskus, JAWF/CPC/NOAA

2007 Emergency Haying and Grazing Status

As of COB September 26, 2007



Map provided by FSA/CEPD/CEPD. If you have any questions, please call (202) 690-0794.
FSA will continue to monitor and make changes as needed.

Four Types of Disaster Designations

- Presidential – Major disaster declarations, which are requested by the Governor to the President. Administered through the Federal Emergency Management Agency (FEMA). Declaration can be made within days or hours of the initial request.
- Secretarial – Most widely used and its process is the most complicated. Further explanation to follow.
- FSA Administrator's Physical Loss Notification (APLN) – Physical losses only, such as a building destroyed by a tornado. Livestock related losses are considered physical losses. APLN is requested of FSA's Administrator by an FSA State Executive Director (SED).
- Quarantine – Authorizes low-interest emergency loans for production and physical losses resulting from a quarantine. Quarantine designation is requested of the FSA's Administrator by an SED.



FSA Programs Initiated by Designations and/or Declarations

- **All four types of designations immediately trigger the availability of low-interest FSA Emergency Loans (EM) to eligible producers in all primary and contiguous counties.**
- **Secretarial Designations and Presidential Declarations may also trigger ad hoc disaster programs, but only if authorized by Congress. Programs such as Livestock Compensation Program, Livestock Indemnity Program, and Crop Disaster Programs.**
- **FSA borrowers located in designated areas or contiguous counties who are unable to make scheduled payments on any debt may be authorized for consideration for setting aside certain payments to allow the operation to continue.**



Current Secretarial Disaster Designation Process

- **By regulation, the Governor or Indian Tribal Council Leader must make a request in writing to the Secretary of Agriculture within 90 days of the ending date of the disaster.**
- **The FSA county office completes a Damage Assessment Report (DAR), and the County Emergency Board (CEB) approves or disapproves the DAR. The DAR is submitted to the State Emergency Board (SEB) for review and processing.**
- **A minimum 30-percent production loss of at least one crop due to a natural disaster in the county must occur.**
- **Upon SEB approval, the DAR is submitted to FSA National Headquarters for review of the loss information on the DAR before submission to the Secretary.**
- **The Secretary approves or denies the request.**



Streamlining the Current Secretarial Process

- **Proposed Rule – Disaster Declaration and Designation Process**
 - **Quantifiable standard for determining a primary county**
 - **One-half to two-thirds of the counties in the United States have been designated as disaster areas in each of the past several years**
 - **Streamline approval process and remove requirement of the current 6-step process utilized for the past 20 years**
 - **Significant Crops**
 - **Use of the U.S. Drought Monitor for drought requests**
 - **D2 for a minimum period of 2 months**
 - **D3 is automatic disaster area**



Supplemental Agriculture Disaster Assistance

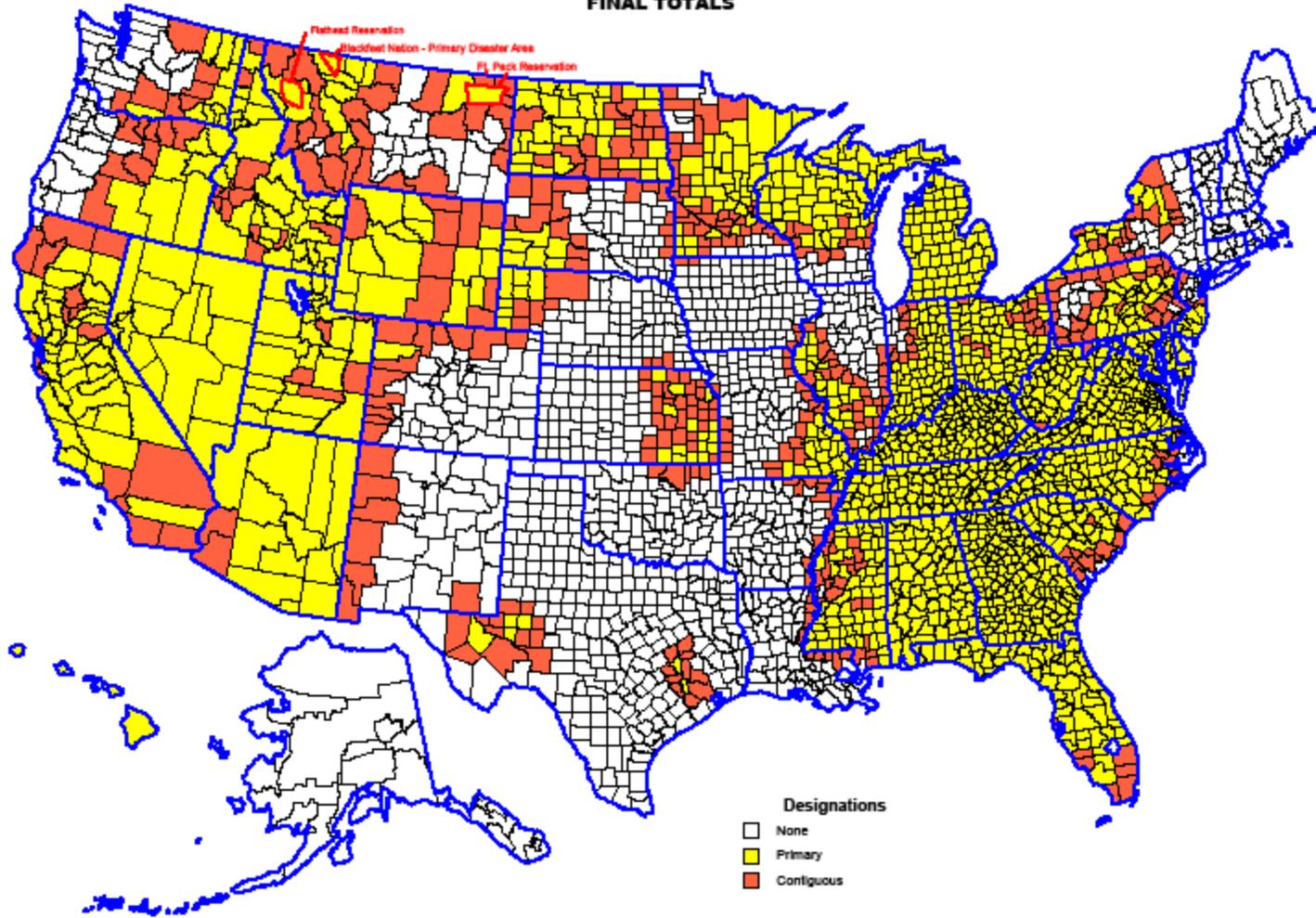
Senate Farm Bill Proposal

- Permanent authority for supplemental revenue assistance
- Qualifying natural disaster declaration by the Secretary
- Primary and contiguous counties
- Any farm in which during calendar year has a total production loss of 50% or greater
- Insurable commodity and non-insurable commodity (NAP)
- Livestock, Honey Bees, and Farm-Raised Fish
- Agriculture Disaster Relief Trust Fund

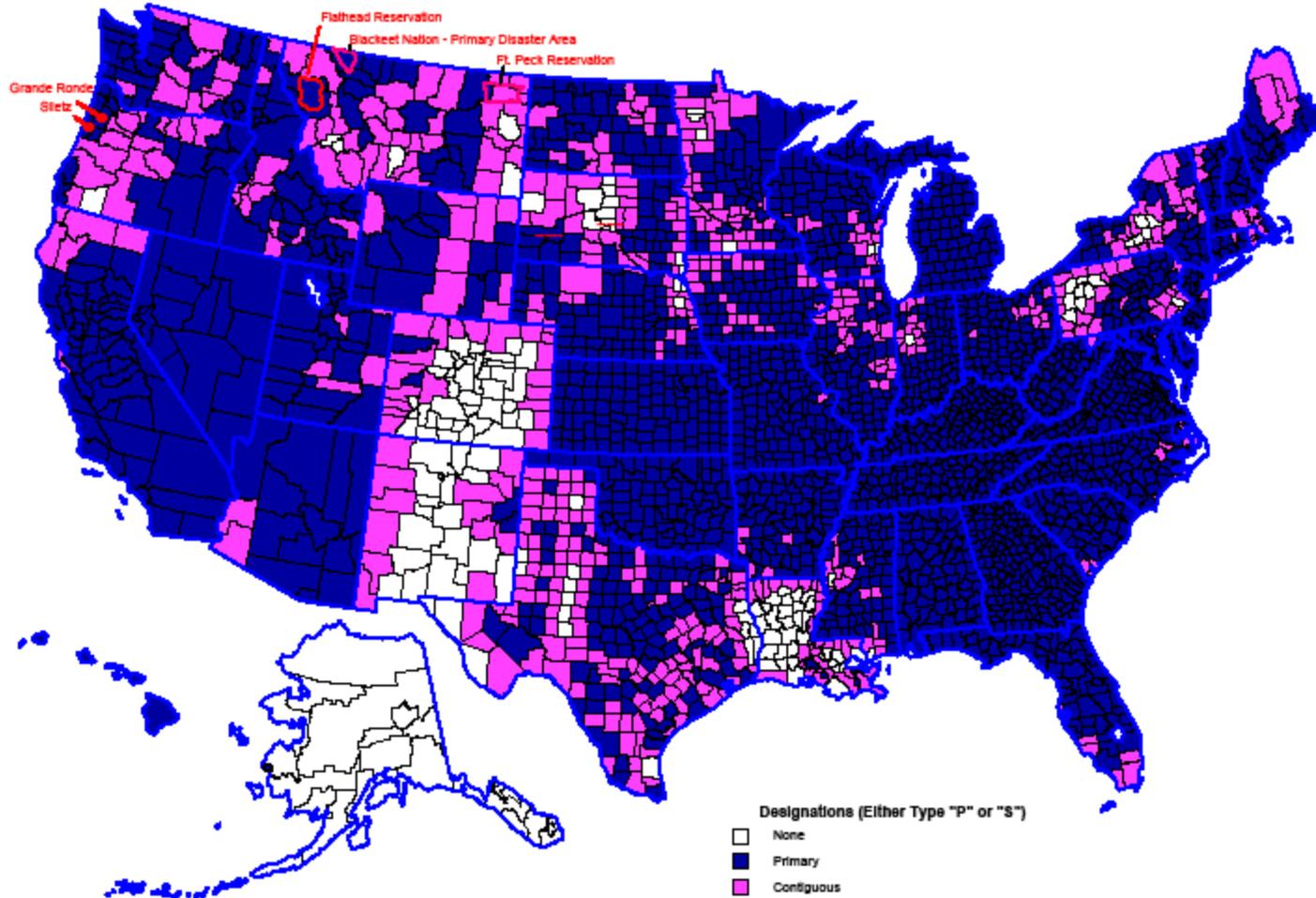


SECRETARIAL DROUGHT DESIGNATIONS - CY2007

PRIMARY & CONTIGUOUS COUNTIES DESIGNATED BY THE SECRETARY - USDA:
FINAL TOTALS

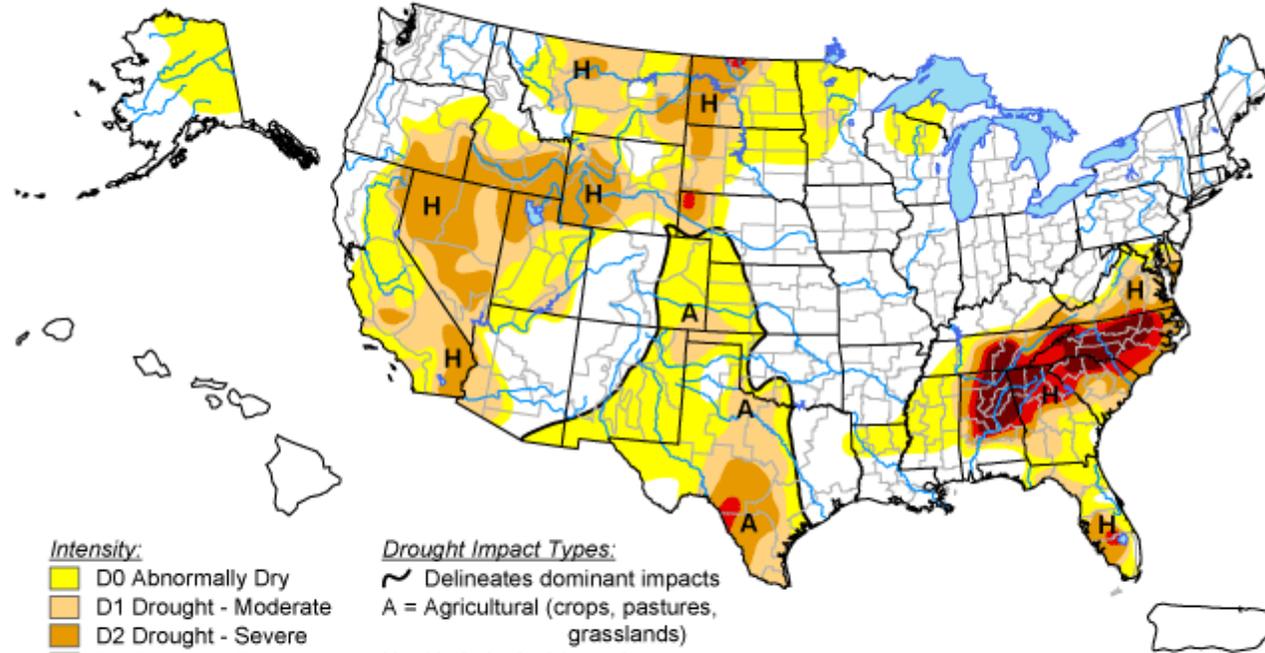


DISASTER DESIGNATIONS - CY2007
Secretarial & Presidential Disasters PRIMARY & CONTIGUOUS COUNTIES:
FINAL TOTALS



U.S. Drought Monitor

February 19, 2008
Valid 7 a.m. EST



Intensity:

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional

Drought Impact Types:

- Delineates dominant impacts
- A = Agricultural (crops, pastures, grasslands)
- H = Hydrological (water)

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<http://drought.unl.edu/dm>

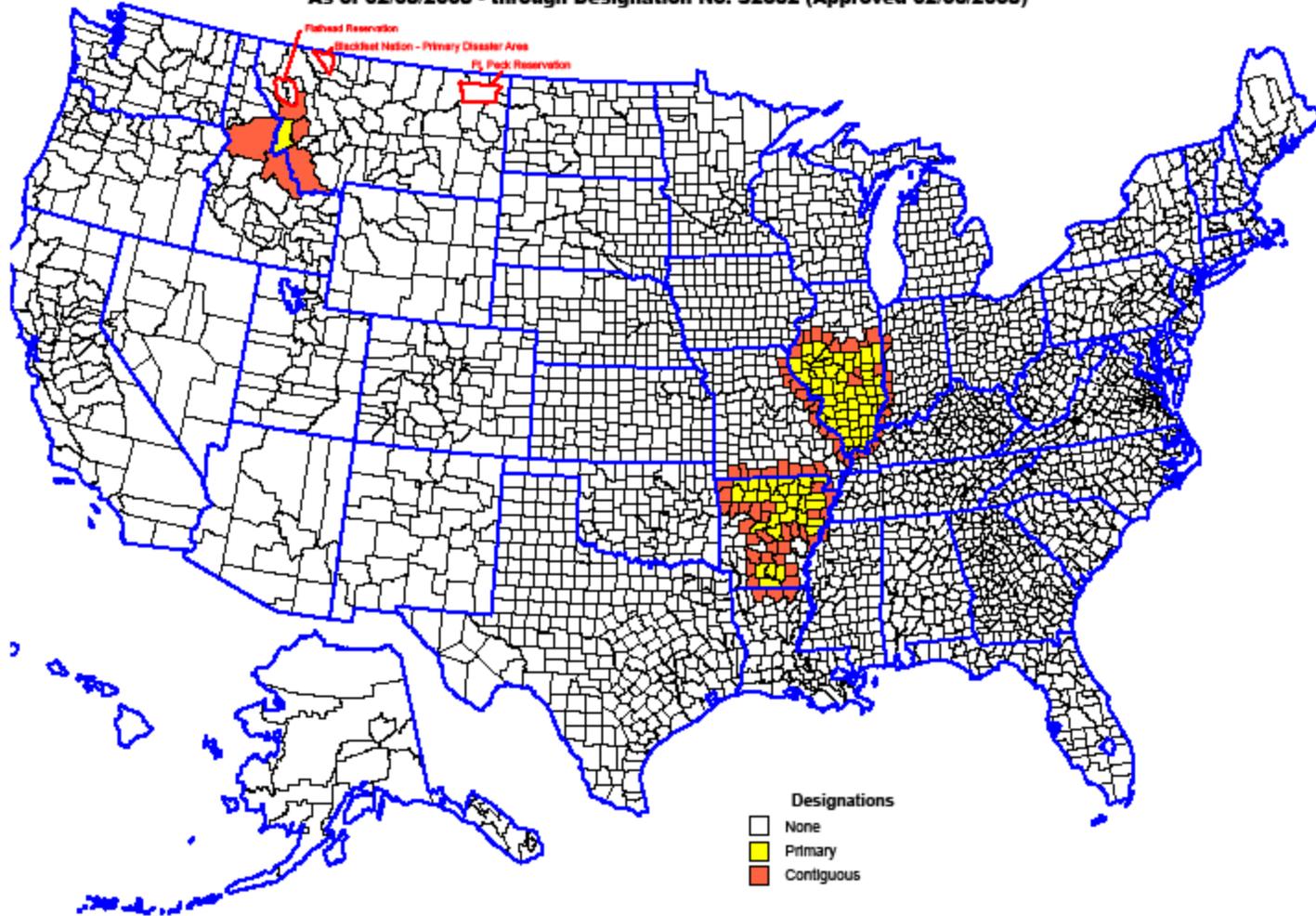


Released Thursday, February 21, 2008
Author: Brad Rippey, U.S. Department of Agriculture

SECRETARIAL DROUGHT DESIGNATIONS - CY2008

PRIMARY & CONTIGUOUS COUNTIES DESIGNATED BY THE SECRETARY - USDA:

As of 02/08/2008 - through Designation No. S2662 (Approved 02/06/2008)



DISASTER DESIGNATIONS - CY2008

Secretarial & Presidential Disasters PRIMARY & CONTIGUOUS COUNTIES:

Combined unduplicated List: CY2008 YTD: 02/22/2008

