

USDA Announces August 14 Application Deadline for Emergency Relief Program Assistance for Commodity and Specialty Crop Producers Impacted by 2022 Natural Disasters

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BOZEMAN, Montana, July 15, 2024 — The U.S. Department of Agriculture (USDA) recently announced the deadline for commodity and specialty crop producers to apply for the Emergency Relief Program (ERP) for 2022 natural disaster losses is Aug. 14, 2024. USDA's Farm Service Agency (FSA) began accepting ERP 2022 applications in October 2023.

"If natural disasters impacted your farm or ranch in 2022, there's still time to submit your application for Emergency Relief Program assistance," said Maureen Wicks, FSA State Executive Director for Montana. "Don't delay. Gather up your documents and contact your local FSA office to complete the application process."

Background

Through the *Disaster Relief Supplemental Appropriations Act, 2023* (P.L. 117-328) Congress allocated \$3.2 billion in funding to cover an estimated \$10 billion in uncovered crop losses.

ERP 2022 covers losses to crops, trees, bushes and vines due to qualifying calendar year 2022 natural disaster events including wildfires, hurricanes, floods, derechos, excessive heat, tornadoes, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought and related conditions.

ERP 2022 Application Process – Track 1

ERP 2022 Track 1 leverages existing federal crop insurance or Noninsured Crop Disaster Assistance Program (NAP) data as the basis for calculating payments for eligible crop producers who received indemnities through these risk management programs.

In fall 2023, FSA began issuing pre-filled ERP 2022 Track 1 application forms to producers who had crop insurance and NAP data already on file with USDA. Receipt of a pre-filled application is not

confirmation that a producer is eligible to receive an ERP 2022 Track 1 payment.

ERP 2022 Application Process – Track 2

Track 2 is a revenue-based certification program designed to assist producers who suffered an eligible decrease in revenue resulting from 2022 calendar year disaster events when compared with revenue in a benchmark year using revenue information that is readily available from most tax records.

In cases where revenue does not reasonably reflect a normal year's revenue, Track 2 provides an alternative method for establishing revenue. Likewise, Track 2 affords producers of crops that are used within an operation and do not generate revenue from the sale of the crop a method for establishing revenue for the purpose of applying for ERP 2022 benefits. Producers are not required to submit tax records to FSA unless requested by the County Committee if required for an FSA compliance spot check.

Although not required when applying for ERP 2022 Track 2, applicants might find the following documents useful to the process:

- Schedule F (Form 1040)
- Profit or Loss from Farming or similar tax documents for tax years 2018, 2019, 2022 and 2023.

Track 2 targets gaps in emergency relief assistance for eligible producers whose eligible losses were not covered by crop insurance or NAP, including revenue losses too small (shallow loss) to be covered by crop insurance.

It's important to note that disaster-impacted producers may be eligible for ERP 2022 assistance under one or both tracks (ERP 2022 Track 1 and Track 2). To avoid duplicative benefits, if a producer applies for both tracks, the Track 2 payment calculation will take into account any payments received through Track 1.

Additional Required Forms

For both ERP 2022 tracks, all producers must have certain required forms on file with FSA within 60 days of the Aug. 14 application deadline. If not already on file, producers can update, complete and submit required forms to FSA by Tuesday, Oct. 15, 2024.

Required forms:

- 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).
- Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, if applicable, for the 2022 program year.
 - o Note: Currently, there is a Federal court injunction that prohibits USDA from "making or increasing payments, or providing any additional relief, based on its 'socially disadvantaged farmer or rancher' designation" under ERP 2022. This may impact certain payments.
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification) for the ERP producer and applicable affiliates.

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

Future Insurance Coverage Requirements

All producers who receive ERP 2022 payments must purchase crop insurance, or NAP coverage where crop insurance is not available, in the next two available crop years as determined by the Secretary. Purchased coverage must be at the 60/100 coverage level or higher for insured crops or at the catastrophic coverage level or higher for NAP crops.

More Information

ERP 2022 eligibility details and payment calculation factor tables are available on FSA's <u>Emergency</u> <u>Relief webpage</u>, in the <u>ERP Track 1</u> and <u>ERP Track 2</u> fact sheets and through the FSA at your local <u>USDA Service Center</u>.

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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