

USDA to Issue \$306 Million in Final Payments to Producers Impacted by 2020 and 2021 Natural Disasters

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WASHINGTON, Feb. 6, 2024 - The U. S Department of Agriculture (USDA) is issuing final [Emergency Relief Program](#) (ERP) payments totaling approximately \$306 million to eligible commodity and specialty crop producers who incurred losses due to natural disasters in 2020 and 2021. USDA's Farm Service Agency (FSA) will begin issuing these additional payments to eligible producers this week.

"In the natural disaster recovery process, every little bit of available assistance helps offset the financial toll that these catastrophic events have taken on agricultural producers, their families, and their operations," said FSA Administrator Zach Ducheneaux. "With remaining funds after initial factoring, USDA was able to put additional money back in the hands of the producers as we strive for the most fair and equitable distribution of available funds to as many producers as possible."

Recipients of the additional payment are limited to those producers who received ERP Phase One payments from FSA that were calculated based on crop insurance indemnities. Initially, ERP Phase One payments to producers who were indemnified through Federal crop insurance, were subject to a 75% payment factor. FSA has since determined that adequate funding exists to provide an additional 3.5% ERP Phase One payment to producers who had crop insurance increasing the overall payment factor to 78.5%. These additional ERP Phase One payments are subject to FSA payment limitation provisions as outlined in the [ERP Phase One fact sheet](#).

Because ERP Phase One payments to producers of noninsured crops covered by FSA NAP policies were originally paid at 100%, there will be no additional payments issued to these producers for 2020 and 2021 losses.

The?Extending Government Funding and Delivering Emergency Assistance Act, 2021 (P.L. 117-43) provided \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms and other eligible disasters experienced during calendar years 2020 and 2021. In 2022, FSA implemented ERP Phase One, which delivered \$7.5 billion in payments to commodity and specialty crop producers. For Phase One, ERP used a streamlined process with pre-filled application forms, leveraging crop insurance indemnities or Noninsured Crop Disaster Assistance Program (NAP) payments on file with USDA.

Separately, through the Disaster Relief Supplemental Appropriations Act, 2023 (P.L. 117-328) Congress allocated approximately \$3.2 billion in funding to cover necessary expenses related to losses of revenue, quality or production losses of crops. Enrollment is ongoing for ERP 2022, which 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.

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 usda.gov.

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