

Federal Disaster Assistance for Farmers Affected by the Recent Floods

September 30, 2010

Paul D. Mitchell, Agricultural and Applied Economics, UW-Madison Office: (608) 265-6514 Email: <u>pdmitchell@wisc.edu</u> Web: <u>http://www.aae.wisc.edu/mitchell/extension.htm</u>

This bulletin summarizes federal disaster assistance programs that may be able to help Wisconsin farmers suffering crop and livestock losses and damage from the recent flooding. Farmers should contact their county FSA office to report crop losses and damage to conservation structures and to determine potential eligibility for disaster assistance.

Supplemental Revenue Assistant Program (SURE)

The Supplemental Revenue Assistant Program (SURE) is the permanent disaster assistance program for farmers suffering crop losses from natural disasters, such as the recent floods. To be eligible for SURE payments for crop losses in 2010, farmers had to sign up for SURE by June 1, 2010 and farm in a county officially declared a disaster county, or suffer at least 50% crop loss. An important requirement of SURE is that farmers must purchase crop insurance for any crop expected to generate at least 5% to the farm's revenue. Thus, farmers with crop losses from floods should not only contact their crop insurance agent, but also their county FSA office, because farmers may receive SURE payments, even if their losses do not trigger crop insurance payments. *If you have crop losses, contact your county FSA now to file a notice of loss within 15 days of the loss becoming apparent, even if you are not signed up for SURE. Also, note that SURE payments for 2010 losses will not occur until fall 2011, after the 2010 marketing year average prices have been officially determined.*

Other Federal Disaster Programs

The FSA's Emergency Conservation Program provides emergency funding and technical assistance to farmers to rehabilitate farmland damaged by natural disasters. *For farmers affected by recent floods, funding may be available to remove debris and to restore fences and conservation structures (terraces, dams, waterways, and manure pits).* Eligibility requirements must be met and payment limits exist.

The FSA provides Emergency Farm Loans to help farms recover from natural disasters, but only if an official disaster is designated. These loans can be used for a variety of recovery purposes, such as to restore/replace essential property, pay part or all of production costs during a disaster year, pay family living expenses, reorganize the farm operation, and refinance some debts. These loans are generally short term (less than seven years) and have competitive interest rates. Eligibility and collateral requirements apply. Loan recipients must keep acceptable farm records and may be required to participate in financial management training and to purchase crop insurance.

FSA administers three disaster programs for livestock losses (including honey bees) suffered from natural disaster, plus the Tree Assistance Program for losses to trees, bushes, and vines damaged by natural disasters. Farms with livestock or perennial crop losses should contact their county FSA office to determine if they are eligible for disaster payments to help with recovery.

The main message is that farmers with crop losses and flood damage to their land should contact their county FSA to officially report these losses. This information will be used to determine if an official disaster has occurred and potential eligibility for disaster assistance.