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USDA Designates Yavapai County, Arizona, as Primary Natural Disaster Area

This Secretarial natural disaster designation allows the United States Department of Agriculture (USDA) Farm Service Agency (FSA) to extend much-needed emergency credit to producers recovering from natural disasters through emergency loans. Emergency loans can be used to meet various recovery needs including the replacement of essential items such as equipment or livestock, reorganization of a farming operation or the refinance of certain debts. FSA will review the loans based on the extent of losses, security available and repayment ability.

According to the U.S. Drought Monitor, these counties suffered from a drought intensity value during the growing season of 1) D2 Drought-Severe for 8 or more consecutive weeks or 2) D3 Drought-Extreme or D4 Drought-Exceptional.

Impacted Area: Arizona

Triggering Disaster: Drought

Application Deadline: Jan. 13, 2023

Primary Counties Eligible: Yavapai

Contiguous Counties Also Eligible: Arizona: Coconino, Gila, La Paz, Maricopa and Mohave

More Resources

On farmers.gov, the Disaster Assistance Discovery Tool, Disaster Assistance-at-a-Glance fact sheet, and Farm Loan Discovery Tool can help you determine program or loan options. To file a Notice of Loss or to ask questions about available programs, contact your local USDA Service Center.

USDA to Provide Payments to Livestock Producers Impacted by Drought or Wildfire

The U.S Department of Agriculture (USDA) announced that ranchers who have approved applications through the 2021 Livestock Forage Disaster Program (LFP) for forage losses due to severe drought or wildfire in 2021 will soon begin receiving emergency relief payments for increases in supplemental feed costs in 2021 through the Farm Service Agency's (FSA) new [Emergency Livestock Relief Program \(ELRP\)](#).

Background

On September 30, 2021, President Biden signed into law the *Extending Government Funding and Delivering Emergency Assistance Act* (P.L. 117-43). This Act includes \$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. Additionally, the Act specifically targets \$750 million to provide assistance to livestock producers for losses incurred due to drought or wildfires in calendar year 2021. ELRP is part of FSA's implementation of the Act.

For impacted producers, USDA will leverage LFP data to deliver immediate relief for increases in supplemental feed costs in 2021. LFP is an important tool that provides up to 60% of the estimated replacement feed cost when an eligible drought adversely impacts grazing lands or 50% of the monthly feed cost for the number of days the producer is prohibited from grazing the managed rangeland because of a qualifying wildfire.

FSA received more than 100,000 applications totaling nearly \$670 million in payments to livestock producers under LFP for the 2021 program year.

Congress recognized requests for assistance beyond this existing program and provided specific funding for disaster-impacted livestock producers in 2021.

ELRP Eligibility – Phase One

To be eligible for an ELRP payment under phase one of program delivery, livestock producers must have suffered grazing losses in a county rated by the U.S. Drought Monitor as having a D2 (severe drought) for eight consecutive weeks or a D3 (extreme drought) or higher level of drought intensity during the 2021 calendar year, and have applied and been approved for 2021 LFP. Additionally, producers whose permitted grazing on federally managed lands was disallowed due to wildfire are also eligible for ELRP payments, if they applied and were approved for 2021 LFP.

As part of FSA's efforts to streamline and simplify the delivery of ELRP phase one benefits, producers are not required to submit an application for payment; however, they must have the following forms on file with FSA within a subsequently announced deadline as determined by the Deputy Administrator for Farm Programs:

- CCC-853, *Livestock Forage Disaster Program Application*
- 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 2021 program year.
- 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 ELRP producer and applicable affiliates.

ELRP Payment Calculation – Phase One

To further expedite payments to eligible livestock producers, determine eligibility, and calculate an ELRP phase one payment, FSA will utilize livestock inventories and drought-affected forage acreage or restricted animal units and grazing days due to wildfire already reported by the producer when they submitted a 2021 CCC-853, *Livestock Forage Disaster Program Application* form.

Phase one ELRP payments will be equal to the eligible livestock producer's gross 2021 LFP calculated payment multiplied by a payment percentage, to reach a reasonable approximation of increased supplemental feed costs for eligible livestock producers in 2021.

The ELRP payment percentage will be 90% for historically underserved producers, including beginning, limited resource, and veteran farmers and ranchers, and 75% for all other producers. These payments will be subject to a payment limitation.

To qualify for the higher payment percentage, eligible producers must have a CCC-860, *Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification*, form on file with FSA for the 2021 program year.

Payments to eligible producers through phase one of ELRP are estimated to total more than \$577 million.

ELRP - Phase Two

Today's announcement is only Phase One of relief for livestock producers. FSA continues to evaluate and identify impacts of 2021 drought and wildfire on livestock producers to ensure equitable and inclusive distribution of much-needed emergency relief program benefits.

Emergency Relief Program (ERP) Assistance for Crop Producers

FSA is developing a two-phased process to provide assistance to diversified, row crop and specialty crop operations that were impacted by an eligible natural disaster event in calendar years 2020 or 2021.

This program will provide assistance to crop producers and will follow a two-phased process similar to that of the livestock assistance with implementation of the first phase in the coming weeks. Phase one of the crop assistance program delivery will leverage existing [Federal Crop Insurance](#) or [Noninsured Crop Disaster Assistance Program](#) data as the basis for calculating initial payments.

Making the initial payments using existing safety net and risk management data will both speed implementation and further encourage participation in these permanent programs, including the Pasture, Rangeland, Forage Rainfall Index Crop Insurance Program, as Congress intended.

The second phase of the crop program will be intended to fill additional assistance gaps and cover eligible producers who did not participate in existing risk management programs.

Through proactive communication and outreach, USDA will keep producers and stakeholders informed as ERP implementation details are made available.

Additional Livestock Drought Assistance

Due to the persistent drought conditions in the Great Plains and West, FSA will be offering additional relief through the [Emergency Assistance for Livestock, Honeybees and Farm-raised Fish Program \(ELAP\)](#) to help ranchers cover above normal costs of hauling livestock to forage. This policy enhancement complements previously announced ELAP compensation for hauling feed to livestock. Soon after FSA announced the assistance for hauling feed to livestock, stakeholders were quick to point out that producers also were hauling the livestock to the feed source as well and encouraged this additional flexibility.

It is important to note that, unlike ELRP emergency relief benefits which are only applicable for eligible losses incurred in the 2021 calendar year, this ELAP livestock and feed hauling compensation will not only be retroactive for 2021 but will also be available for losses in 2022 and subsequent years.

To calculate ELAP program benefits, an [online tool](#) is currently available to help producers document and estimate payments to cover feed transportation cost increases caused by drought and will soon be updated to assist producers with calculations associated with drought related costs incurred for hauling livestock to forage

More Information

Additional USDA disaster assistance information can be found on [farmers.gov](#), including USDA resources specifically for producer impacted by [drought](#) and [wildfire](#) and the [Disaster Assistance Discovery Tool](#), [Disaster-at-a-Glance fact sheet](#), and [Farm Loan Discovery Tool](#). For FSA and Natural Resources Conservation Service programs, producers should contact their local [USDA Service Center](#). For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#).

FSA Offers Drought Assistance for Livestock Producers Through Emergency Assistance for Livestock, Honey Bees and Farm-raised Fish Program (ELAP)

If you've suffered above normal expenses for hauling feed or water to livestock or hauling livestock to forage/grazing acres due to the impacts of drought, you may be eligible for financial assistance through the Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP).

For eligible producers in qualifying counties, ELAP provides financial assistance for:

- the transportation of water to livestock;
- the above normal cost of mileage for transporting feed to livestock,
- the above normal cost of transporting livestock to forage/grazing acres.

*Hauling livestock one-way, one haul per animal reimbursement and no payment for "empty miles."

Eligible livestock include cattle, buffalo, goats and sheep, among others, that are maintained for commercial use and located in a county where the qualifying drought conditions occur. A county must have had D2 severe drought intensity on the U.S. Drought Monitor for eight consecutive weeks during the normal grazing period, or D3 or D4 drought intensity at any time during the normal grazing period. Producers must have risk in both eligible livestock and eligible grazing land in an eligible county to qualify for ELAP assistance.

WATER TRANSPORTATION

For ELAP water transportation assistance, a producer must be transporting water to eligible livestock on eligible grazing land where the producer had adequate livestock watering systems or facilities in place before the drought occurred and where they do not normally require the transportation of water. Payments are for costs associated with personal labor, equipment, hired labor, equipment, and/or contracted water transportation fees. Cost of the water itself is not covered. The ELAP payment formula uses a national average price per gallon.

ABOVE NORMAL COSTS OF TRANSPORTING FEED

ELAP provides financial assistance to livestock producers who incur above normal expenses for transporting feed to livestock during drought. The payment formula excludes the first 25 miles and any mileage over 1,000 miles. The reimbursement rate is 60% of the costs above what would normally have been incurred during the same time period in a normal (non-drought) year.

ABOVE NORMAL COSTS OF TRANSPORTING LIVESTOCK TO FORAGE/GRAZING ACRES

ELAP provides financial assistance to livestock producers who are hauling livestock to a new location for feed resources due to insufficient feed and/or grazing in drought-impacted areas. Assistance for Livestock transportation is retroactive to 2021 and available for 2022 and subsequent years. **For those interested in this provision for 2021, the deadline to apply for assistance is June 30, 2022. Please contact your county FSA office for additional details.**

For calendar year 2022 forward, producers must submit a notice of loss to your local FSA office within 30 calendar days of when the loss is apparent; producers should contact their county FSA office as soon as the loss of water resources or feed resources are known. For ELAP eligibility, documentation of expenses is critical. Producers should maintain records and receipts associated with the costs of transporting water to eligible livestock, the costs of transporting feed to eligible livestock, and the costs of transporting eligible livestock to forage/grazing acres.

ELAP also offers assistance to producers impacted by wildfire. Contact your county FSA office for more information on ELAP resources for wildfire losses. In addition, beekeepers also can benefit from ELAP provisions and should contact their county FSA office within 15 calendar days of when a loss occurs or from when the loss is apparent.

For more information regarding ELAP, contact your local USDA Service Center or visit fsa.usda.gov/disaster.

Showcase Your Season with #Plant2022

This planting season let's highlight the innovation and leadership demonstrated by conservation-minded farmers in our #Plant2022 campaign. We'll share your photos and stories on social media, blogs, and a nationwide storymap.

Learn more (<https://go.usa.gov/xuTqj>)

USDA Updates Farm Loan Programs to Increase Equity

The U.S. Department of Agriculture (USDA) is updating its farm loan programs to better support current borrowers, including historically underserved producers. These improvements are part of USDA's commitment to increase equity in all programs, including farm loans that provide important access to capital for covering operating expenses and purchasing land and equipment.

The 2018 Farm Bill authorized FSA to provide equitable relief to certain direct loan borrowers, who are non-compliant with program requirements due to good faith reliance on a material action of, advice of, or non-action from an FSA official. Previously, borrowers may have been required to immediately repay the loan or convert it to a non-program loan with higher interest rates, less favorable terms, and limited loan servicing.

Now, FSA has additional flexibilities to assist borrowers in such situations. If the agency provided incorrect guidance to an existing direct loan borrower, the agency may provide equitable relief to that borrower. FSA may assist the borrower by allowing the borrower to keep their loans at current rates or other terms received in association with the loan which was determined to be noncompliant or the borrower may receive other equitable relief for the loan as the Agency determines to be appropriate.

USDA encourages producers to reach out to their local loan officials to ensure they fully understand the wide range of loan and servicing options available that can assist them in starting, expanding or maintaining their operation.

Additional Updates

Equitable relief is one of several changes authorized by the 2018 Farm Bill that USDA has made to the direct and guaranteed loan programs. Other changes that were previously implemented include:

- Modifying the existing three-year farming experience requirement for Direct Farm Ownership loans to include additional items as acceptable experience.
- Allowing socially disadvantaged and beginning farmer applicants to receive a guarantee equal to 95%, rather than the otherwise applicable 90% guarantee.
- Expanding the definition of and providing additional benefits to veteran farmers.
- Allowing borrowers who received restructuring with a write down to maintain eligibility for an Emergency loan.
- Expanding the scope of eligible issues and persons covered under the agricultural Certified Mediation Program. Additional information on these changes is available in the March 8, 2022 [rule on the Federal Register](#).

More Background

Producers can explore available loan options using the [Farm Loan Discover Tool on farmers.gov](#) ([also available in Spanish](#)) or by contacting their local [USDA Service Center](#). Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Due to the pandemic, some USDA Service Centers are open to limited visitors. Producers can [contact their local Service Center](#) to set up an in-person or phone appointment to discuss loan options.

Additionally, in January 2021, Secretary Vilsack announced a [temporary suspension of past-due debt collection and foreclosures](#) for distressed direct loan borrowers due to the economic hardship imposed by the COVID-19 pandemic.

FSA has taken other recent steps to increase equity in its programs. Last summer, USDA announced it was providing \$67 million in competitive loans through its new Heirs' Property Relending Program to help agricultural producers and landowners resolve heirs' land ownership and succession issues. FSA also invested \$4.7 million to establish partnerships with organizations to provide outreach and technical assistance to historically underserved farmers and ranchers, which contributed to a fourfold increase in participation by historically underserved producers in the Coronavirus Food Assistance Program 2 (CFAP 2), a key pandemic assistance program, since April 2021.

Loans for Targeted Underserved Producers

The Farm Service Agency (FSA) has several loan programs to help you start or continue an agriculture production. Farm ownership and operating loans are available.

While all qualified producers are eligible to apply for these loan programs, FSA has provided priority funding for members of targeted underserved applicants.

A targeted underserved applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, targeted underserved groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.



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