

Oral Statement

U.S. Department of Agriculture

Farm Service Agency Administrator Bruce Nelson

Senate Committee on Appropriations, Subcommittee on Homeland
Security

“The Federal Role in Disaster Recovery and Response”

October 12, 2011

Madam Chairwoman, Ranking Member and Members of the Subcommittee, thank you for the opportunity to discuss the U.S. Department of Agriculture’s efforts to assist Americans affected by natural disaster.

USDA delivers help in a variety of ways. My agency, the Farm Service Agency, delivers assistance to farmers who lose crops, livestock, or infrastructure. As you may know, many other USDA agencies are directly involved with disaster assistance, both in small towns and big cities. Today I would like to briefly explain how we have been able to help in a record disaster year.

Every year carries a significant risk for every farmer and rancher. But one only needs to look at the past few months to see that this year

was different, and touched the lives of many thousands of U.S. farmers and ranchers.

This past spring, above average snowmelt and excessive rainfall delayed and, in many cases, prevented planting of major crops. Tornadoes hit parts of the Southeast, flooding spread across the Missouri, Mississippi and Ohio River basins, record drought affected the Southwest, and finally, Hurricane Irene and Tropical Storm Lee devastated parts of New England.

America's farmers and ranchers are the best in the world and they are resilient. But at the end of the day, the weather is beyond their control, and safety net programs are critical for producers who need help when events beyond their control occur.

Crop insurance is the first line of defense. The Risk Management Agency administers the Federal crop insurance program, which provides insurance policies on over 100 crops. FSA also offers financial assistance for farmers whose crops are not covered by Federal crop insurance. The concept is to be sure every producer can purchase some level of coverage.

The next line of defense is five new disaster programs authorized under the 2008 Farm Bill. These programs provide help for lost crops, livestock deaths, livestock feed losses, and damage to private forests.

Under Secretary Vilsack's leadership, FSA implemented these programs and since January 2009 FSA has provided more than \$3.3 billion in disaster assistance to producers.

All losses to 2011 crops that occurred prior to September 30 will be covered under the five disaster programs. However, authorization for the programs expired on September 30 and losses from any disaster after that date will not be covered. To strengthen this support, the Administration proposes to extend these programs, or similar types of disaster assistance that are of a similar cost, for the 2012 to 2016 crop years.

FSA also has a number of other programs which supplement the Farm Bill disaster programs – primarily the Emergency Conservation Program and the Emergency Forest Restoration Program, along with an emergency loan program.

ECP offers emergency funding and technical assistance for farmers to rehabilitate farmland damaged by natural disasters. As of September

30, FSA has over \$127 million in outstanding ECP requests from 33 states and one territory. Because all appropriated funding has been obligated for ECP, the outstanding requests would need an additional appropriation from Congress.

ECP works in concert with the Emergency Forest Restoration Program, which addresses restoration of private forestland. A 2010 supplemental appropriation provided \$18 million for EFRP. FSA has obligated virtually all of that funding and currently has \$49 million in outstanding EFRP requests, generally due to tornadoes. We anticipate the number of ECP and EFRP requests will increase as damage is assessed from recent disasters.

Finally, FSA makes emergency disaster loans to help producers recover from production and physical losses. Last year, we provided nearly \$33 million in emergency loan assistance to about 300 farmers.

Madam Chairwoman, Ranking Member and members of the Subcommittee, thank you again for the opportunity to share information on FSA disaster programs and I am happy to answer any questions that you might have.