

Below is some additional information from what we currently know regarding the disaster package released by USDA this week.

USDA submitted the ruling for the new disaster aid package this week. The new disaster aid package will make \$3 billion dollars available for those affected by weather related disasters in 2018 and 2019 crop years until December 31, 2020. This disaster package covers assistance for necessary expenses related to crop losses including on-farm stored commodities, and harvested wine grapes due to floods and other weather related that occurred in 2018 and 2019. The assistance will come in three programs through FSA offices: WHIP+, On Farm Storage Loss Program, and WHIP Milk Loss Program.

WHIP+ provides assistance to producers who have had losses due to a qualifying disaster event that occurred in 2018 and 2019 calendar year. WHIP+ will provide assistance for yield-based and value loss crops that lost suffered losses prior to harvest. It's important to note that WHIP+ payments for crop losses only covers production losses, not quality losses. Eligible crops will include those where crop insurance or NAP coverage is available. This program is available for farms located in counties that have received a Presidential Emergency Disaster Declaration of one or more qualifying disaster events. However, producers outside of the disaster declaration areas may still apply, they will just need supporting documentation. The amount of assistance a person can receive is dependent on their average adjusted gross farm income. Under WHIP+, a person cannot receive more than \$125,000 in payments if their average adjusted gross farm income is less than 75 percent of their average of their adjusted gross income for 2015, 2016, and 2017. However, if at least 75 percent of a person's AGI is from farming and you provide the necessary documentation, they will be able to receive up to \$250,000 per crop year under WHIP+ payments. Applications can be submitted to county FSA offices by a deadline that will be announced by FSA. WHIP payments will take into consideration the difference between the expected value of the crop and the actual value of the crop as a result of the disaster event. This will be determined by FSA using crop insurance or NAP prices. Payments under WHIP cannot exceed 90 percent of the total losses for those individuals with crop insurance. For those without crop insurance or NAP, the total amount of payments received under WHIP+ cannot exceed 70 percent of the total losses for 2018-2019. Production for crop losses is based on the verifiable or reliable production records for that crop year. It's important to note that the AGI payment limitations that are required under WHIP+ do not apply to prevent plant payments. Under prevent plant, individuals will receive 15 percent for those with revenue protection except those who select harvest price exclusion option and 10 percent for those who do not have revenue protection. If you receive WHIP+ payments, you will be required to purchase crop insurance for the next 2 available crop years.

The On-Farm Storage Loss Program will provide payments to eligible producers who suffered losses of stored commodities while they were stored in on-farm structures as a result of a weather related disaster that was mentioned earlier. Harvested commodities must have been stored in structures that were damaged directly from a disaster related weather event. Producers and legal entities are subject to the same payment limitation and adjusted gross income requirements as mentioned in WHIP+. Payments for the stored loss program will be calculated by multiplying the loss quantity times a price determined by the Secretary then multiplied by a 75 percent factor. The payments will be issued after sign-up until February 2020 for losses incurred during calendar years 2018 and 2019.

The House Agriculture Committee announced yesterday they will be hosting a hearing to review the implementation of federal farm and disaster programs on Thursday September 19 at 10:00am. There hasn't been a witness list released yet, but I would assume this hearing would be able to give some clarity to these programs. I will be monitoring and will touch base with you all if we learn anything new.

