

Hurricane Disaster Assistance

**Statement of Dr. Robert Johansson, Acting Deputy Under Secretary Farm Production and
Conservation and Chief Economist
Before the House Subcommittee on Agriculture, Rural Development,
Food and Drug Administration, and Related Agencies**

November 29, 2017

Mr. Chairman and members of the Subcommittee, I am pleased to appear before you today to present the U.S. Department of Agriculture's disaster assistance request. I am accompanied by Steve Peterson, Acting Administrator, Farm Service Agency (FSA), and Leonard Jordan, Acting Chief, Natural Resources Conservation Service (NRCS).

IMPACTS OF THE HURRICANES

In 2017, numerous agricultural producers were severely impacted by Hurricanes Harvey, Irma, and Maria. USDA assessments of losses for most of those events are ongoing, but early assessments by State extension and agriculture departments offer some estimate of the extent of losses.

Hurricane Harvey inflicted most of its damage in southeast Texas. Significant losses were seen in Texas in livestock, including animal mortality, damage to infrastructure, and hay/feed losses. Texas also faced crop losses, primarily for cotton (both on the plant and harvested bales), and for rice and soybeans. Louisiana producers also faced losses, primarily in rice and sugarcane.

Hurricane Irma's impacts were mainly felt in Florida and Georgia. Estimates of losses for Georgia range from 10-20 percent of crop value. In Florida the largest crop losses are estimated for citrus, with fruit losses of up to 100 percent in some areas, as well as extensive infrastructure damage and anticipated tree mortality from flooding. Losses to greenhouse,

nursery, and floriculture are expected to be significant, from both lost value from damaged plants and damage to greenhouses and related infrastructure. Sugarcane growers saw losses from wind damage which increased harvesting costs and reduced the quality of the crop, and some losses are anticipated from reduced availability of setts for next year's crop. Fruit and vegetable producers experienced losses through disruption of the growing season (planting was just beginning), damage to soil, loss of planting materials (seedlings, irrigation drip tape and plastic), and damage to infrastructure. Losses to the beef cattle and dairy industries includes mortality, dumped milk and loss of production from heat-stressed animals, loss of forage and pasture damage, and damage to infrastructure

Hurricanes Irma and Maria devastated agriculture in Puerto Rico and the U.S. Virgin Islands, leading to estimates of 70-80 percent in total crop losses, and for some crops in Puerto Rico--plantain, banana, coffee, fruits and vegetables--losses of 99-100 percent. The islands' agriculture, natural areas including forests, water sources, and urban environments were devastated.

USDA'S DISASTER RESPONSE

The agencies that make up the new Farm Production and Conservation (FPAC) Mission Area – FSA, NRCS, and the Risk Management Agency (RMA) – are on the front line to provide assistance to the farmers and ranchers impacted by the recent hurricanes. Through USDA employees located in nearly every county of the U.S. and territories, immediate support was available to those impacted by these natural disasters. In addition, more than 75 FPAC employees accepted temporary assignments away from home to hurricane-affected areas. Many times USDA employees put their own disaster recovery efforts on hold, to ensure that their neighbors and other impacted individuals receive top notch customer service and personal support. USDA's employees live and work with the people they serve – their neighbors, friends and members of their local community – and provide them with personal support and compassion. FSA provided additional assistance to the disaster affected areas by detailing employees from other states. Currently, there have been 61 employees detailed to the hurricane affected areas, and over 12 to the wildfire affected areas. The details will continue through the end of the year or until work can be managed by local staff.

I wish to convey the message that USDA's suite of disaster programs and the crop insurance program is working. These programs provide America's farmers and rancher with critical financial and technical support, when it is needed most. Dedicated and hardworking USDA employees ensure that farmers and ranchers are aware of the USDA assistance available to them, through extensive outreach at the local and regional level and that they receive the support they need.

FSA's suite of disaster programs – Tree Assistance Program (TAP), Livestock Forage Disaster Program (LFP), Livestock Indemnity Program (LIP), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP), Noninsured Crop Disaster Assistance Program (NAP), Emergency Conservation Program (ECP) and Emergency Forest Restoration Program (EFRP) – have paid producers impacted by natural disasters billions since the 2014 Farm Bill was enacted. These programs provide assistance to producers to recover from livestock, forage, and crop losses; damage to trees, shrubs and vines; damage to private forests; and farmland damages due to flooding.

NRCS provides disaster recovery assistance through Conservation Technical Assistance (CTA), the Environmental Quality Incentives Program (EQIP), and the Emergency Watershed Protection (EWP) programs. Through CTA, NRCS provides one-on-one, personalized technical and educational assistance to landowners faced with erosion, flooding, and other natural resources concerns.

Many producers impacted by natural disasters in 2017 carried Federal crop insurance to help mitigate their risks. The crop insurance program administered by RMA provides a strong safety-net to producers during times of natural disaster.

To date, FSA has received over 3,000 applications for TAP, ELAP, and LIP in hurricane areas, and received more than \$158 million in hurricane-related requests for ECP and \$175 thousand for EFRP. FSA has received over 2,000 notices of hurricane-related loss under NAP. NRCS has completed nearly 500 EWP damage surveys, and RMA has received nearly 570

hurricane-related claims, totaling \$44 million. Hurricane-related insurance indemnities for Puerto Rico so far total \$1.5 million.

When Puerto Rico and the US Virgin Islands were hit in September by Hurricanes Irma and María, both Category 5 storms less than one week apart, both territories were affected in their entirety, no area was left without damage complicating the emergency response. USDA agencies in the territories acted as soon as the situation allowed, meeting immediately with Puerto Rico's Secretary of Agriculture, Carlos Flores and his staff, to learn about the situation of the agriculture in Puerto Rico. They joined regional farmers meetings scheduled by the Puerto Rico Department of Agriculture and assured them that USDA personnel were present to help them access available programs. USDA agency staff also visited with the US Virgin Islands Commissioner of Agriculture Carlos Robles as well as with farmers on St. Thomas, St. John and St. Croix to assess needs and explain programs.

Outreach is key to getting producers the assistance they need rapidly. By putting people first, USDA has been able to effectively respond to the diverse needs of producers in affected areas. Just a few of USDA's outreach efforts include:

- FPAC agencies jointly hosted hurricane recovery customer meetings in Texas, Florida, and Georgia. Employees met with over 1,300 customers at 105 meetings with 100 additional meetings scheduled in the near future.
- FSA and NRCS are operating hotlines in Texas and Puerto Rico (bi-lingual) to connect customers with USDA disaster recovery services.
- In Puerto Rico and the Virgin Islands, 16 NRCS employees from seven State offices, national headquarters, and soil survey offices are supporting USDA's staff on the islands, working closely with local officials to assess damages and provide information on USDA programs.

USDA'S HURRICANE DISASTER REQUEST

The Administration is requesting a total of \$1.1 billion in additional funds to assist areas impacted by Hurricanes Harvey, Irma, and Maria in their recovery efforts. Of that sum, \$992

million falls under the authority of this Subcommittee. The remaining \$97 million would fund Forest Service programs. The requested disaster supplemental includes:

- \$465 million for three FSA programs:
 - \$375 million for the Emergency Conservation Program (ECP). ECP provides cost-share and technical assistance for farmers and ranchers to rehabilitate farmland damaged by natural disasters and to implement emergency water conservation measures in periods of severe drought. Currently, there is a backlog of over \$200 million in all requests, with ongoing requests for ECP financial assistance to repair farmland damaged by the hurricanes.
 - \$50 million for the Emergency Forest Restoration Program (EFRP). EFRP provides payments to private forest owners to rehabilitated forest land damaged by natural disaster. Currently, there is a backlog of over \$21 million in all requests, with ongoing requests for EFRP financial assistance to repair private forests damaged by the hurricanes.
 - \$40 million for the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP). ELAP provides emergency relief for losses due to feed or water shortages, disease, adverse weather or other conditions not adequately addressed by other disaster programs. Historically, ELAP payments have been prorated to remain within the statutory funding cap of \$20 million annually. The additional funding will reduce the impact of proration and allow ELAP to provide more meaningful assistance during this year of significant disasters.
- \$500 million for NRCS's Emergency Watershed Program (EWP). Through EWP, NRCS helps communities restore damaged and destroyed infrastructure. NRCS works with local government entities and Tribes in impacted areas to remove debris, stabilize streambanks, and fix water control structures among other practices.
- \$22 million for the Agricultural Research Service to repair direct damages to buildings and facilities. Funding is needed to repair roofs, perimeter fencing, electrical infrastructure, greenhouse structures and generators.
- \$4 million in budget authority for the Rural Housing Service's Section 515 Direct Multi-Family Housing for properties in Texas that were destroyed by Hurricane

Harvey. Funding is needed for these properties because flooding was not a "cause of loss" covered by insurance and their geographic location did not require supplemental flood insurance.

- \$97 million for the Forest Service. This includes \$21 million for the National Forest System, \$69 million for capital improvement and maintenance, and \$8 million for state and private forestry.
- \$1 million for USDA's Office of Inspector General. This will support audits and investigations of the USDA disaster programs.

USDA stands ready to implement any additional disaster relief for our crop and livestock producers as directed by Congress. This concludes my formal statement. We would be happy to respond to any questions you may have.