

Supplemental Agricultural Disaster Assistance in *Food, Conservation, & Energy Act of 2008*

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An Agricultural Disaster Relief Trust Fund is created for disasters that occur before October 1, 2011. The trust fund equals 3.08% of duties collected on articles for consumption under the Harmonized Tariff Schedule during Fiscal Years 2008-11. **Five programs are authorized.**

(1) Supplemental Revenue Assistance (SURE) protects against crop losses (production and/or quality) on the entire farm (all acres in all counties) resulting from adverse weather.

▲ To qualify, a producer (a) must purchase insurance for insurable crops at a minimum coverage of 50% of yield and 55% of price and purchase Noninsured Crop Assistance Program (NAP) for noninsurable crops, and (b1) must farm in a county declared a disaster county or contiguous county, or (b2) has total farm production that is 50% or less of normal due to adverse weather.

▲ Payment equals [60% of (difference between the farm's supplemental revenue assistance program guarantee minus the farm's total crop revenue)]

▶ Supplemental revenue assistance program guarantee for each insurable crop equals: [product obtained by multiplying (A) planted acres, (B) farmer-elected percent of insurance yield times higher of farm's actual production history yield or counter-cyclical payment yield, (C) insurance price elected by farmer, and (D) 115%

▶ Supplemental revenue assistance program guarantee for each non-insurable crop equals: [product of (A) planted acres, (B) 100% of NAP price, (C) higher of NAP yield guarantee or counter-cyclical program yield, and (D) 120%

▶ Farm guarantee is capped at 90% of sum of expected revenue for each crop on the farm

- Expected revenue for an insured crop equals [product of (A) planted acres, (B) higher of actual production history yield or counter-cyclical payment yield, and (C) 100% of insurance price guarantee]
- Expected revenue for a non-insured crop equals [product of (A) planted acres, (B) 100% of NAP yield, and (C) 100% of NAP price]

▶ Total crop revenue equals [sum of (A) insurance and NAP indemnities, (B) prevented planting payments, (C) other Federal disaster assistance for same loss, (D) 15% of direct payments, (E) counter-cyclical, ACRE, and marketing loan payments, and (F) value of each crop]

- Value of crop equals [product of (A) harvested acres, (B) estimated actual yield, and (C) U.S. average market price adjusted for (a) local or regional quality loss from adverse weather and (b) losses due to excess moisture from disaster-related conditions]

(2) Livestock Indemnity Payments are made if adverse weather causes livestock deaths that exceed normal mortality. Payment rate is 75% of market value the day before the death.

(3) Livestock Forage Disaster Program provides aid to ranchers who graze livestock on (A) drought-affected native or improved pastureland or drought-affected land planted to a crop only for grazing or (B) on public managed land for which a fire causes a Federal agency to reduce or prohibit grazing.

▶ Payment rate for drought is 60% of monthly feed cost (Bill contains formula). The rate increases with drought severity (severe, extreme, exceptional) as measured by the U.S. Drought Monitor.

▶ Payment rate for fire on public lands is 50% of monthly feed cost.

▶ To qualify, a producer must purchase insurance or NAP for the grazing land incurring the losses.

(4) Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish provides up to \$50 million/year to reduce losses from disease, adverse weather, and other environmental conditions not covered under the 3 preceding programs.

(5) Tree Assistance Program provides assistance to eligible orchardists and nursery tree growers if tree mortality from damaging weather or related conditions exceeds 15% (adjusted for normal mortality). Payment covers 70% of replanting and 50% of salvage or land preparation costs.

■ Total supplemental disaster assistance, excluding payments under the Tree Assistance Program, is **limited to \$100,000/year** per eligible producer. Tree Assistance Program Payments cannot exceed \$100,000/year, nor be made on more than 500 acres. AGI limits and the direct attribution rule apply.

■ For 2008 crops, a producer can qualify for SURE and Livestock Forage Disaster if an amount is paid equal to applicable fees for catastrophic insurance and/or NAP within 90 days of this Bill's enactment.