



FSA Drought Assistance

A vertical photograph on the left side of the slide showing a golden wheat field in the foreground, with green hills and a blue sky in the background.

North Dakota USDA Farm Service Agency

Emergency Use of CRP

- On June 23, 2017, Secretary of Agriculture Perdue authorized emergency **grazing** of CRP in North Dakota, South Dakota and Montana, for counties in a US Drought Monitor status of D2 or higher.

U.S. Drought Monitor

North Dakota

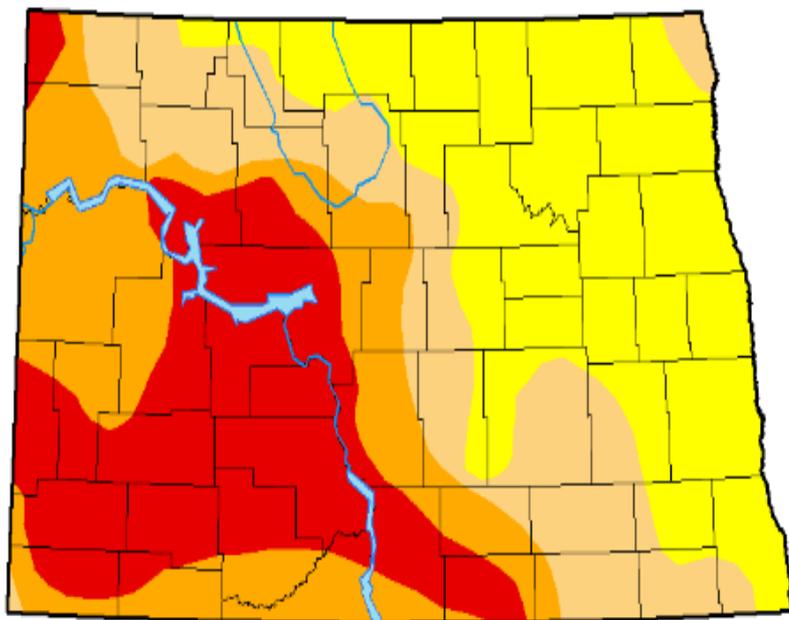
June 27, 2017

(Released Thursday June 29, 2017)

Valid 8 a.m. EDT

Statistics type: Traditional Percent Area

Export table: [PNG](#) [CSV](#) [XLS](#)



Week	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current 2017-06-27	0.02	99.98	66.77	46.90	25.06	0.00
Last Week 2017-06-20	0.02	99.98	67.34	39.90	7.73	0.00
3 Months Ago 2017-03-28	93.83	6.17	0.00	0.00	0.00	0.00
Start of Calendar Year 2016-12-27	93.87	6.13	0.00	0.00	0.00	0.00
Start of Water Year 2016-09-27	96.70	3.30	0.41	0.00	0.00	0.00
One Year Ago 2016-06-28	82.42	17.58	3.61	0.19	0.00	0.00

Estimated Population in Drought Areas: **336,243**

[View More Statistics](#)

Intensity:

- D0 (Abnormally Dry)
- D2 (Severe Drought)
- D4 (Exceptional Drought)
- D1 (Moderate Drought)
- D3 (Extreme Drought)

Emergency Use of CRP

- On June 29, 2017, the Secretary of Agriculture expanded the emergency **grazing** of CRP to counties in which any part of their border lies within 150 miles of a county approved for emergency grazing, as indicated by the US Drought monitor (D2 or higher) in Montana, North Dakota or Montana.

Emergency Use of CRP

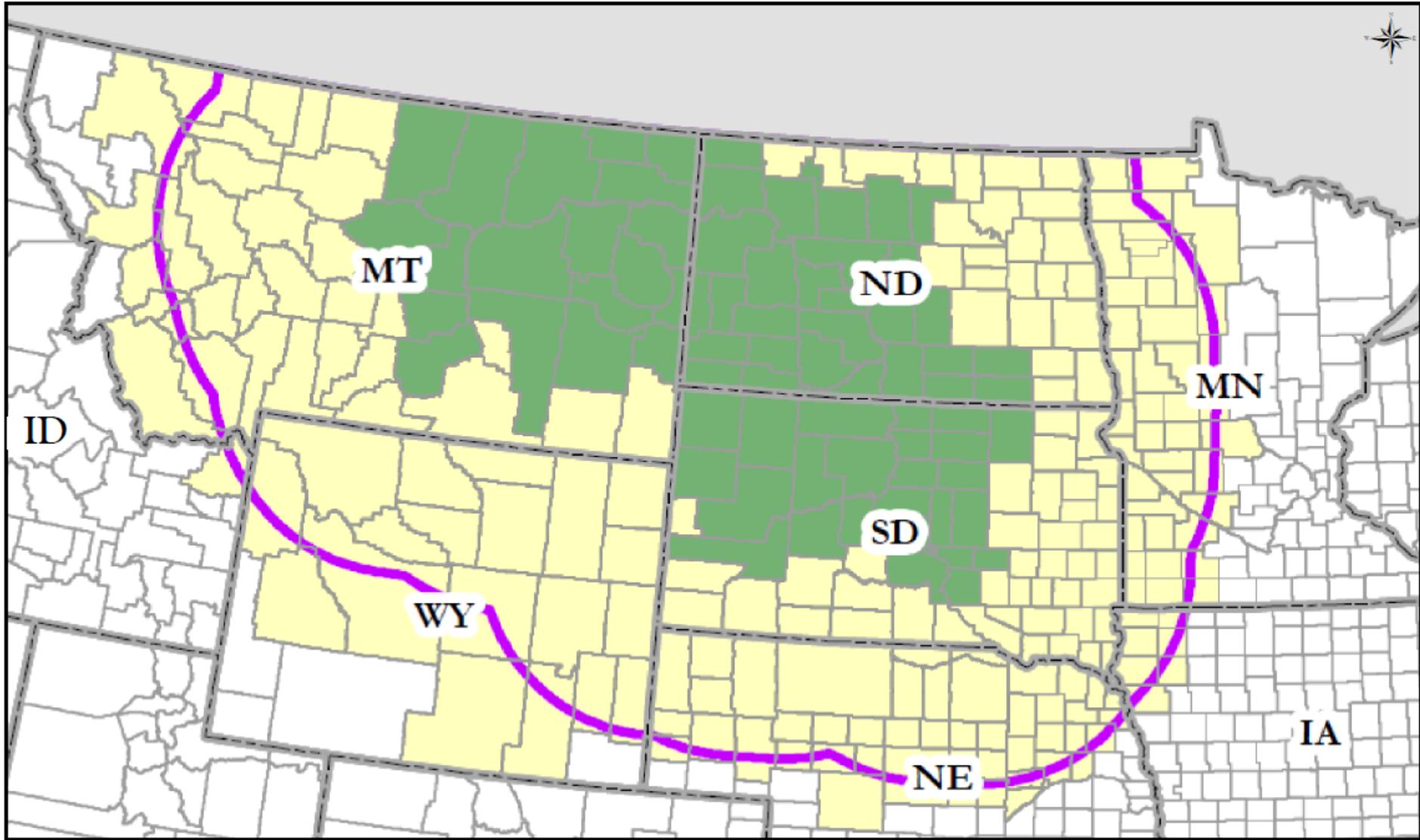
- Under this Secretarial authorization, if a county in any of those 3 states reaches D2, counties within a 150-mile radius are also authorized for emergency **grazing** through September 30, 2017, unless conditions improve.
- Emergency grazing is confined to the acreage physically located in the eligible county, including the expanded area.

Emergency Use of CRP

- All other provisions remain the same for emergency grazing, such as must have written approval from local FSA Office, limited to approved stocking rate, only authorized CRP practices, etc.
- **Emergency haying of CRP is not authorized at this time.**

North Central U.S. Counties Eligible for Emergency CRP Grazing

U.S. Drought Monitor as of 06/27/2017



USDA United States Department of Agriculture
Farm Service Agency
North Dakota State Office
North Dakota FSA

■ D2 & D3 Counties
■ Counties within 150 Miles

Emergency Use of CRP

- In addition to the expanded **grazing** area, the Secretary is also allowing certain CRP participants who hay their CRP (after the end of the primary nesting season) according to their *mid-contract management* plan, to donate the hay to livestock producers.
- If the CRP participant does not donate the hay, they may sell it, but FSA will access a 25% payment reduction to the annual rental payment.

Emergency Use of CRP

- A mid-contract management (MCM) activity is a requirement of all CRP practices.
- Must complete MCM one time during life of a 10-year CRP contract.
- The most common MCM activities – litter removal, burning, heavy harrow and light disking.

Emergency Use of CRP

- Managed or emergency haying/grazing can meet the requirement of MCM if conducted in the scheduled year of the activity (litter removal).
- There are certain CRP practices, mainly wetland practices, when the MCM activity is litter removal, whereby a financial benefit cannot be realized by the participant.

Emergency Use of CRP

- Under the June 29th authorization, producers in the “expanded area” can retain the harvested forage from the MCM activity and either donate it to a livestock producer or sell the forage (a 25% payment reduction would apply).
- **Haying cannot start until August 2nd.**
- Must complete all necessary paperwork

Emergency Use of CRP

- Keep in mind that if the CRP participant has already completed the MCM activity in a prior year, this new authorization does not apply to those contracts.



Emergency Use of CRP

Under certain conditions, FSA can authorize emergency use of CRP acreage.

The most common condition is drought, however excess moisture can also authorize emergency use of CRP.

Over the course of CRP's 30+ years, even high commodity prices have been a condition that allowed emergency use of CRP.



Emergency Use of CRP

Emergency haying or grazing of CRP started as soon as 1988 in North Dakota, and in a 13-year period ending in 1999, CRP was authorized for emergency use 10 times in the United States.

See handout.

Emergency Use of CRP

To authorize emergency use of CRP under current policy, the following criteria must be met:

1. At the end of the Primary Nesting Season, a portion of a county must be in US Drought Monitor status of D2 or higher. There is no amount of time needed to be at this drought status, but merely be in D2 or higher on August 1st.

(The US Drought Monitor is updated every Thursday, so July 27th would be the date we normally would know if a county is in D2 or greater.)

Emergency Use of CRP

To authorize emergency use of CRP under current policy, the following criteria must be met:

2. 40/40 provision – County must be at least 40% below normal precipitation for the previous 4 months (March – June) and including the number of days in July to which the application is completed. In addition, the county must be suffering a 40% loss of forage and pasture production. The local FAC committee makes these determinations.

Emergency Use of CRP

- If emergency haying and grazing is authorized, there would not be a payment reduction applied to the annual CRP rental payment.
- The CRP participant must complete the necessary paperwork and agree that they
 - 1) Will not sell the hay,
 - 2) Will not sublease the grazing rights,
 - 3) If not utilizing the forage for themselves a livestock producer must be identified and they must also sign the paperwork.

Emergency Use of CRP

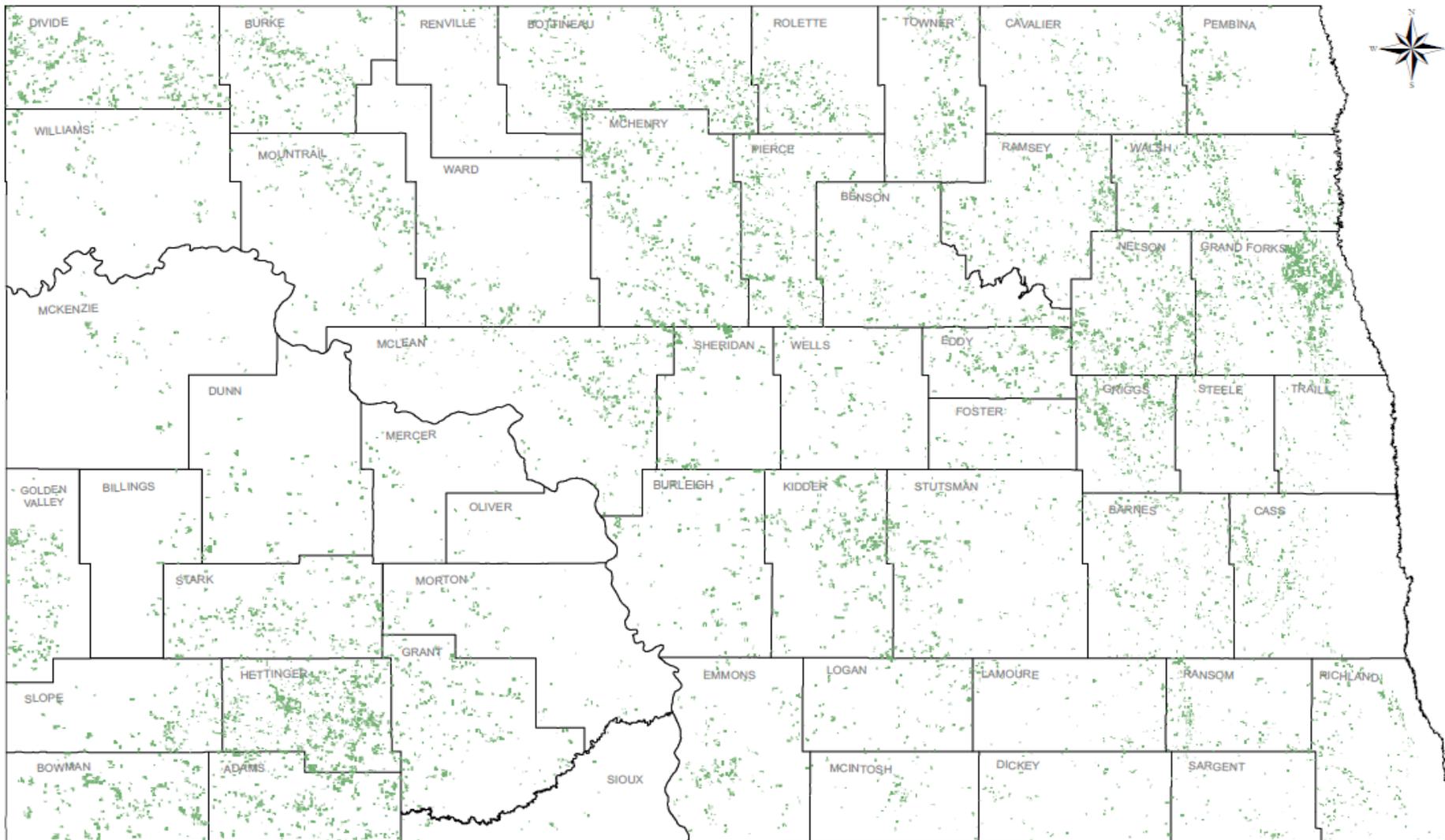
- Only 50% of a field or contiguous fields can be hayed under emergency provisions.
- If grazed, the stocking rate must be no greater than 75% or there must be 25% of the field left un-grazed.

Emergency Use of CRP

- Only certain practices are eligible for emergency use:
- CP1, CP2, CP4D, CP10, CP18B, CP18C, CP38E1, CP38E2, CP38E4D, CP38E10, CP38E18B and CP38E18C.
- The following maps show the approximate location of the acreage on a statewide basis.

ND Practice Eligible CRP Acres for Emergency Haying & Grazing

(Physically Located Acres as of 06/14/2017)



USDA United States Department of Agriculture
Farm Service Agency
North Dakota State Office
North Dakota FSA

CP1, CP2, CP10, CP18B, CP18C, CP4D, CP38E
State Total: 985,784 Acres

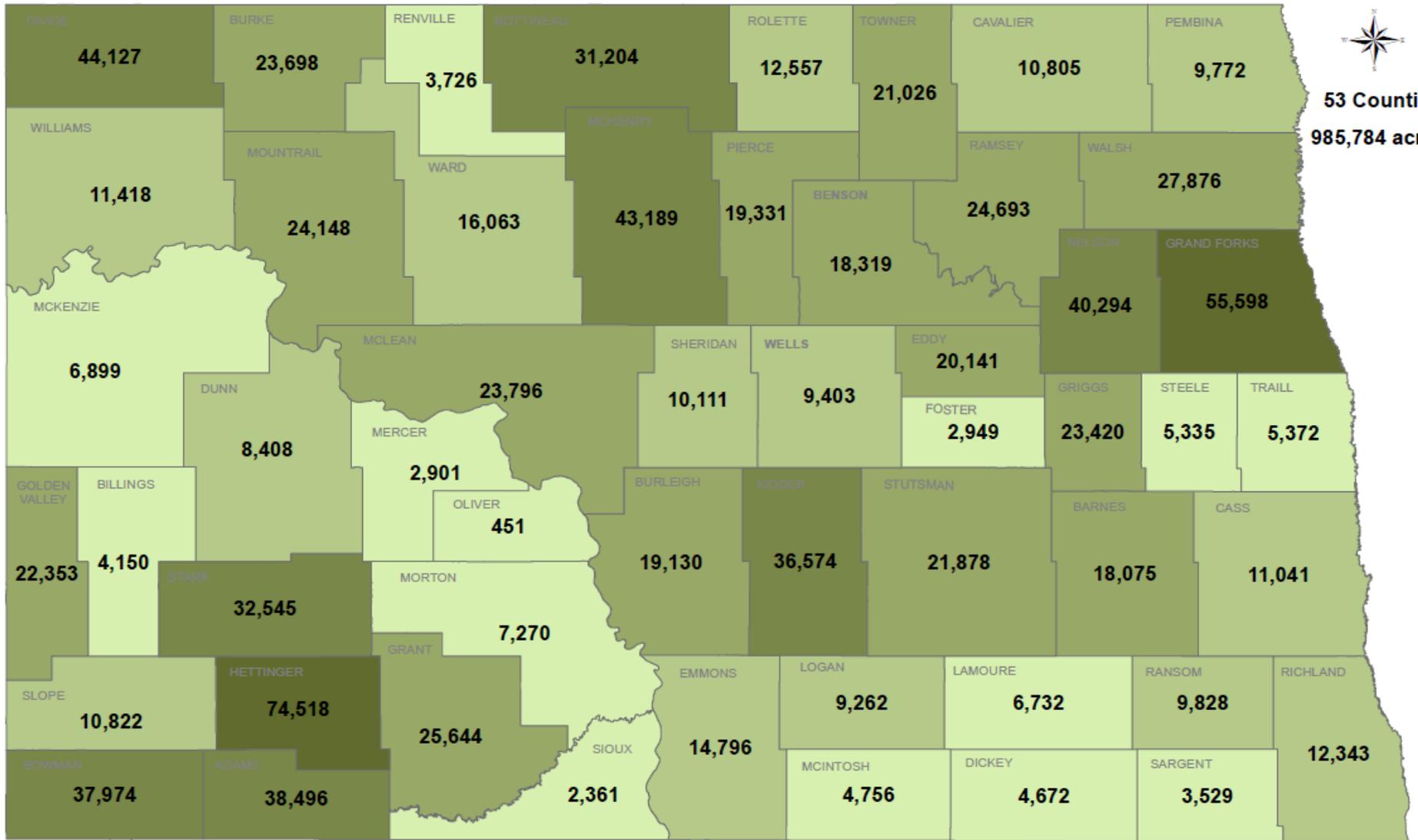
Senator Heitkamp Drought Forum -

Rowman July 6, 2017

Map is intended for Farm Service Agency purposes only. USDA is an equal opportunity provider, employer and lender.

ND Practice Eligible CRP Acres for Emergency Grazing

Physically Located Acres as of 06/22/2017



USDA United States Department of Agriculture
Farm Service Agency
North Dakota State Office

Emergency Use of CRP

- Emergency use of CRP “resets the clock” in regards to the haying and grazing frequency.
- Under managed haying, the acreage can be hayed once every three years.
- Under routine grazing, the acreage can be grazed every other year.

CRP Enrollment in ND

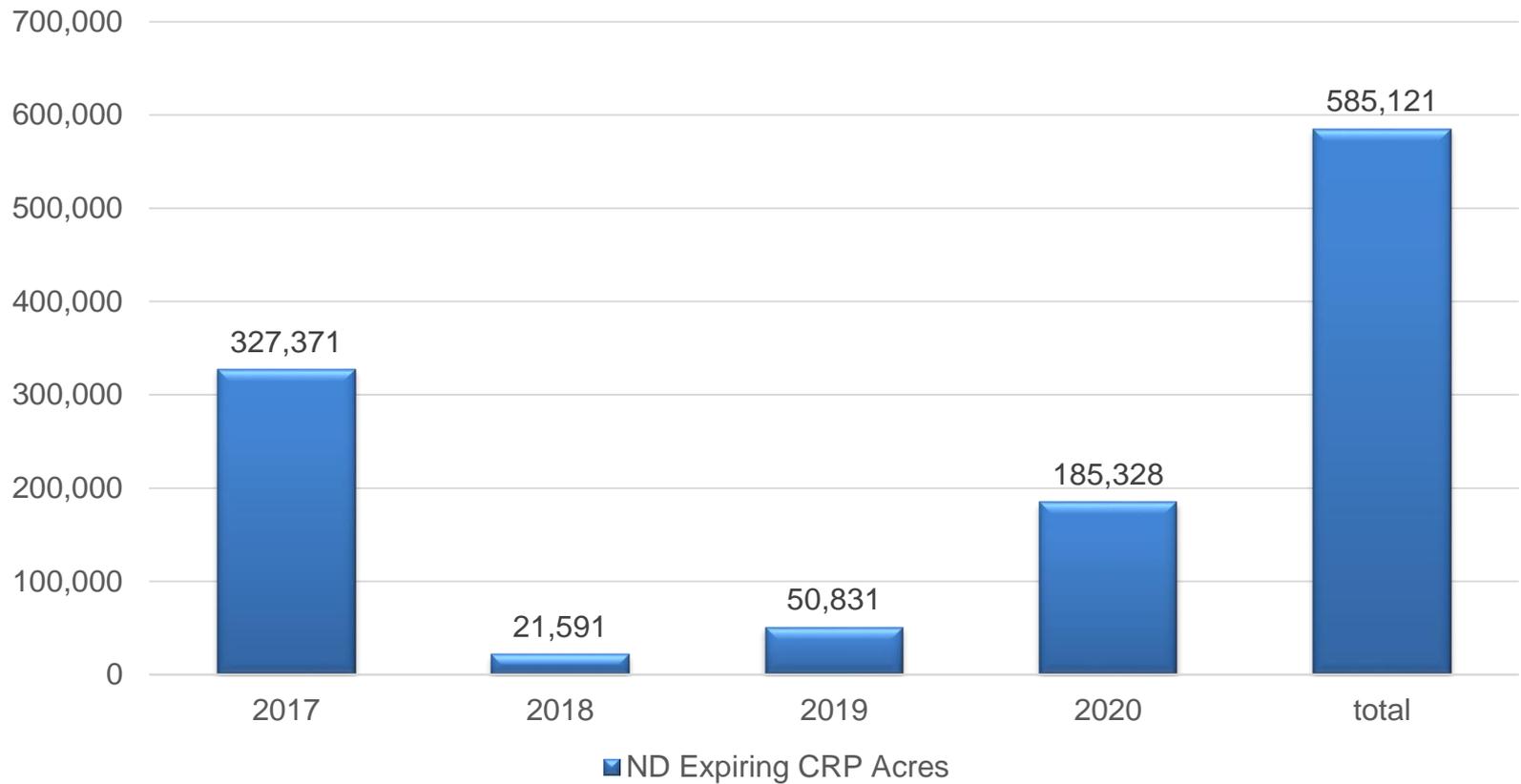
- As of the end of May 2017, North Dakota landowners had 1,530,088 acres enrolled in CRP.
- FSA County Offices receive offers for continuous signup practices every day.
- Voluntary terminations of CRP contracts are pretty much non-existent due to the lower commodity prices.

CRP Enrollment in ND

- If there are no changes made to the national CRP acreage cap of 24 million acres, and if CRP goes into a maintenance phase, the following slide shows the number of acres that will expire in 2017 to 2020.
- These acres will expire regardless of cap or if CRP goes into maintenance phase.
- FSA does not know how many 2017 expiring acres were re-enrolled.

CRP Enrollment in ND

ND Expiring CRP Acres



Emergency Use of CRP

- Reduced available forage acres has contributed to this emergency.
- Here's a quick example of two counties in the heart of the drought:

County	Land Use	2008	2016
Burleigh	Reported Forages	431,977	387,685
Burleigh	Total CRP	76,719	27,076
Burleigh	Eligible CRP for Emergency Use	19,130	



Emergency Use of CRP

County	Land Use	2008	2016
Morton	Reported Forages	711,056	623,831
Morton	Total CRP	25,455	7,788
Morton	Eligible CRP for Emergency Use	7,270	

Livestock Forage Program

- LFP provides compensation to eligible livestock producers that have suffered grazing losses because of qualifying drought or fire (on Federal land).
- The qualifying loss condition must occur during the normal grazing period.
- For FSA program purposes, the normal grazing period is 180 days, beginning on May 15th.



Livestock Forage Program

- LFP payments are limited to \$125,000 per program year per person.
- LFP payments are combined with LIP and ELAP.
- Subject to a 6.9% sequestration.
- Currently, US Drought Monitor D3 intensity will equal a \$54 payment per beef cow, before the 6.9% sequestration.

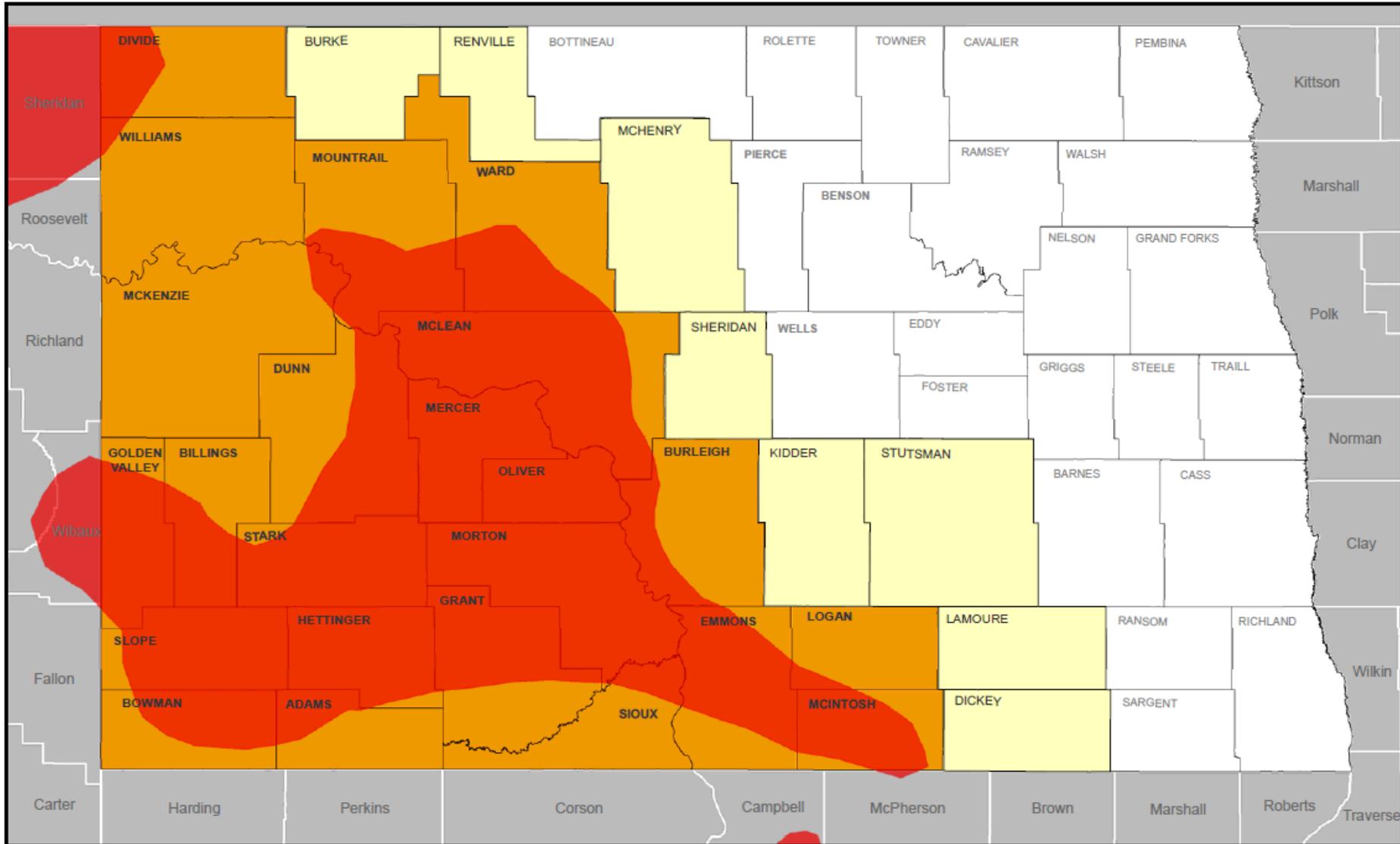
Livestock Forage Program

- The following table explains the drought level and corresponding payment for a beef cow (factored by 60%):

Drought Level	Time at that level	Number of payments	Monthly payment amount
D2	8 consecutive weeks	1	\$18
D3	1 day	3	\$54
D3	4 weeks (does not have to be consecutive)	4	\$72
D4	1 day	4	\$72
D4	4 weeks	5	\$90

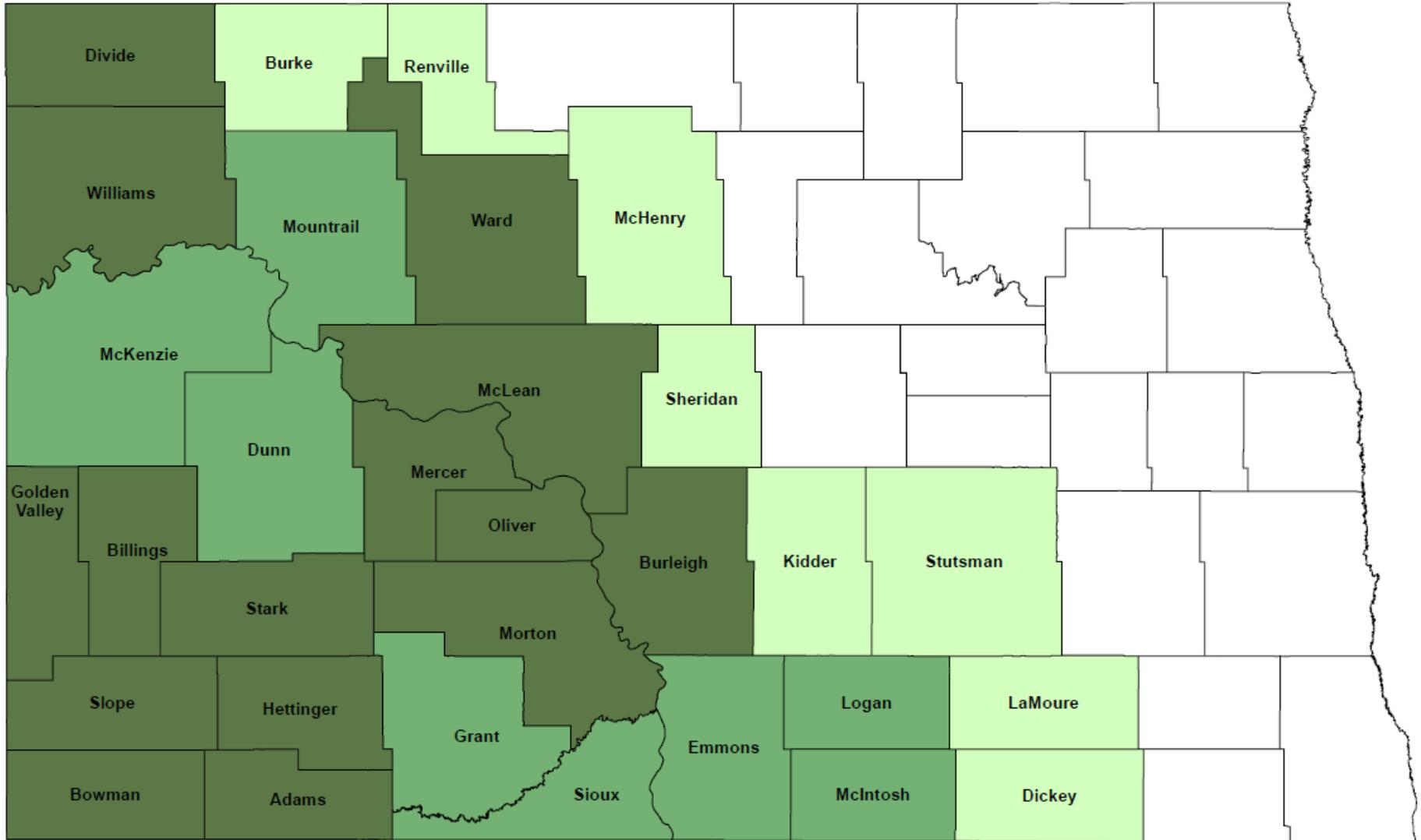
North Dakota Counties Eligible for LFP

U.S. Drought Monitor as of 06/27/2017



North Dakota Counties Eligible for LFP

U.S. Drought Monitor as of 06/27/2017



USDA United States Department of Agriculture
Farm Service Agency
North Dakota State Office

Dark Green: June 20th Eligible Counties
Medium Green: June 27th Eligible Counties
Light Green: Contiguous Counties



Emergency Livestock Assistance Program

- ELAP covers losses suffered by eligible livestock producer that is NOT covered by LIP or LFP, such as grazing loss due to hail.
- In drought conditions, ELAP can assist producers with the additional cost of transporting water to eligible grazing lands.
- CRP is NOT an eligible grazing land.

ELAP

- Eligible loss condition for water hauling:
 - Portion of county must be in D3 on US Drought Monitor
 - Directly impacts water availability during normal grazing period.
 - Must have had adequate watering facilities prior to the eligible loss condition.
 - Producer does not normally transport water to this site.

ELAP

- Producer will be required to submit verifiable bills, receipts, for the water that is hauled to livestock.
- If verifiable records are not available, FSA could consider other records.
- Notice of loss must be reported to the FSA within 30 days of when the water hauling started or November 1st, which ever is first.

ELAP

- The national average price/gallon for water hauling is as follows:

Method of Transporting Water	National Average Price/Gallon
Personal labor/equipment	\$0.035
Hired labor/rented equipment	\$0.05
Contracted water transportation	\$0.07

- Example – hauled 750 gallons for 14 days to 53 head. Net payment - \$71



Livestock Indemnity Program

- LIP will compensate eligible livestock producers for deaths caused by blue-green algae poisoning.
- Producers **MUST** report the deaths to their local FSA office within 30 calendar days of when the loss is apparent.
- Once a water source causes deaths due to blue-green algae poisoning, subsequent deaths from same water source will not be eligible.



Emergency Conservation Program

- ECP provides assistance to develop watering facilities on lands suffering from severe drought for an extended period of time.
- Includes installing pipelines, tanks, deepening wells, etc, for livestock.
- Cost-share rate is 75% if a permanent practice.
- County Committee can submit application to implement program.
- ECP is subject to available funds.



Emergency Disaster Declaration

- The Secretary of Agriculture is authorized to designate counties as disaster areas to make Emergency (EM) loans available to producers suffering losses in those counties and those counties that are contiguous to a designated county.

Emergency Disaster Declaration

- Process
 - Fast Track Secretarial designations provide for a nearly automatic designation when:
 - During the growing season, any portion of a county meets the D2 drought intensity for 8 consecutive weeks, or
 - A drought intensity higher than D2.



Emergency Disaster Declaration

- FSA provides emergency loans to help producers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine.
- Applicant has 8 months from the date the disaster is declared to turn in an application. Date of Application Deadline based on the recent Secretarial Disaster Declaration (S4185, S4186, S4187) is 2/28/18.



Emergency Disaster Declaration

- Current Counties in these Designations (Contiguous and Designated): Adams, Billings, Bowman, Burke, Burleigh, Dickey, Divide, Dunn, Emmons, Golden Valley, Grant, Hettinger, Kidder, McHenry, McKenzie, McIntosh, McLean, Morton, Mountrail, Oliver, Renville, Sheridan, Sioux, Slope, Stark, Ward, and Williams
- The maximum loan amount for an EM loan is \$500,000.



2017 FSA Drought Assistance

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