

## Agriculture Secretary Vilsack, Obama Administration Deliver New Drought Assistance to America's Producers

As part of continuing steps by the Obama Administration to assist livestock producers in response to the historic drought, Agriculture Secretary Tom Vilsack today highlighted that USDA will utilize nearly \$16 million in financial and technical assistance to immediately help crop and livestock producers in 19 states cope with the adverse impacts of the historic drought. In addition, USDA will initiate a transfer of \$14 million in unobligated program funds into the Emergency Conservation Program. These funds can be used to assist in moving water to livestock in need, providing emergency forage for livestock, and rehabilitating lands severely impacted by the drought. Together these efforts should provide nearly \$30 million to producers struggling with drought conditions.

"President Obama and I continue to work across the federal government to provide relief for those farmers and ranchers who are affected by the severe drought conditions impacting many states across our nation," said Vilsack. "This additional assistance builds on a number of steps USDA has taken over the past few weeks to provide resources and flexibility in our existing programs to help producers endure these serious hardships. As this drought persists, the Obama Administration is committed to using existing authorities wherever possible to help the farmers, ranchers, small businesses, and communities being impacted."

Yesterday in Washington, President Obama convened his White House Rural Council to review Executive Branch response actions and to develop additional policy initiatives to assist drought-stricken Americans. Following the meeting, the White House announced a number of new measures the Administration is taking, including USDA's assistance for livestock and crop producers, the National Credit Union Administration's increased capacity for lending to customers including farmers, and the U.S. Department of Transportation's emergency waivers for federal truck weight regulations and hours of service requirements to drought-stricken communities. President Obama also stressed the need for the entire Administration to continue to look at further steps it can take to ease the pain of this historic drought.

Within the last month, USDA has opened the Conservation Reserve Program to emergency haying and grazing, has lowered the borrower interest rate for emergency loans, and has worked with crop insurance companies to provide more flexibility to farmers. USDA has also announced the following:

- Allowing producers to modify current EQIP contracts to allow for grazing, livestock watering, and other conservation activities to address drought conditions.
- Authorizing haying and grazing of Wetlands Reserve Program (WRP) easement areas in drought-affected areas where haying and grazing is consistent with conservation of wildlife habitat and wetlands.
- Lowering the reduction in the annual rental payment to producers on CRP acres used for emergency haying or grazing from 25 percent to 10 percent in 2012.
- Simplifying the Secretarial disaster designation process and reduced the time it takes to designate counties affected by disasters by 40 percent.

With the USDA announcement highlighted today, USDA's Natural Resources Conservation Service (NRCS) will use \$16 million in existing funds from its Wildlife Habitat Incentive Program (WHIP) and Environmental Quality Incentives Program (EQIP) to target states experiencing exceptional and extreme drought. The states with exceptional, or the most severe, drought are Arkansas, Colorado, Georgia, Kansas, Kentucky and Nebraska. States experiencing extreme drought are Alabama, Illinois, Indiana, Mississippi, Missouri, New Mexico, Nevada, South Carolina, South Dakota, Tennessee, Texas, Utah and Wisconsin. NRCS state conservationists will announce special signups for WHIP and EQIP funds which will allow eligible producers to apply for selected conservation practices. These practices include prescribed grazing, livestock watering facilities and water conservation practices. Eligible producers also can re-apply for financial assistance to re-install or re-apply failed conservation practices due to drought and modify existing contracts to re-schedule planned conservation practices.

In addition, USDA's Farm Service Agency (FSA) will transfer \$14 million in unobligated program funds into the Emergency Conservation Program (ECP). ECP provides emergency funding and technical assistance for farmers and ranchers to rehabilitate farmland damaged by natural disasters and for carrying out emergency water conservation measures in periods of severe drought. ECP also provides resources to help producers restore livestock fences.

Also today, Vilsack signed disaster designations for an additional 44 counties in 12 states as primary natural disaster areas due to damage and losses caused by drought and excessive heat. Counties designated today are in the states of Arkansas, Iowa, Illinois, Kansas, Kentucky, Minnesota, Mississippi, Nebraska, New Mexico, Ohio, Oklahoma and South Dakota. During the 2012 crop year, USDA has designated 1,628 unduplicated counties across 33 states as disaster areas—1,496 due to drought—making all qualified farm operators in the areas eligible for low-interest emergency loans. The U.S. Drought Monitor indicates that 66 percent of the nation's hay acreage is in an area experiencing drought, while approximately 73 percent of the nation's cattle acreage is in an area experiencing drought. During the week ending Aug. 5, USDA's National Agricultural Statistics Service (NASS) reported that U.S. soybeans rated 39 percent very poor to poor,

surpassing the lowest conditions observed during the drought of 1988. NASS also reported that 50 percent of the U.S. corn crop was rated very poor to poor. In addition, 59 percent of the nation's pastures and rangeland are rated very poor or poor.

Visit <http://www.usda.gov/drought> for the latest information regarding USDA's drought response and assistance.

The Obama Administration, with Agriculture Secretary Vilsack's leadership, has worked tirelessly to strengthen rural America, maintain a strong farm safety net, and create opportunities for America's farmers and ranchers. U.S. agriculture is currently experiencing one of its most productive periods in American history thanks to the productivity, resiliency, and resourcefulness of our producers. A strong farm safety net is important to sustain the success of American agriculture. USDA's crop insurance program currently insures 264 million acres, 1.14 million policies, and \$110 billion worth of liability on about 500,000 farms. In response to tighter financial markets, USDA has expanded the availability of farm credit, helping struggling farmers refinance loans. In the past 3 years, USDA provided 103,000 loans to family farmers totaling \$14.6 billion. Over 50 percent of the loans went to beginning and socially disadvantaged farmers and ranchers.

Primary counties and corresponding states designated as disaster areas today:

## **AR**

Lincoln

## **IA**

Lyon

Plymouth

Sioux

Woodbury

## **IL**

Lake

McHenry

## **KS**

Cherokee

Clay

Cloud

Jewell

Pottawatomie

Republic

Riley

Washington

## **KY**

Breckinridge

Grayson

## **MN**

Rock

## **MS**

Coahoma

## **NE**

Adams

Boyd

Burt

Butler

Clay

Colfax

Cuming  
Dakota  
Dodge  
Hamilton  
Polk  
Saunders  
Thurston  
Webster  
York

**NM**

Sandoval

**OH**

Williams

**OK**

Cleveland  
Lincoln  
Okfuskee  
Oklahoma  
Ottawa  
Pottawatomie  
Seminole

**SD**

Minnehaha

