

# Emergency Relief Program (ERP)

## Disaster Recovery Assistance for Commodity and Specialty Crop Producers



### Background

On September 30, 2021, President Biden signed into law the Extending Government Funding and Delivering Emergency Assistance Act (P.L. 117-43), which includes \$10 billion in assistance to agricultural producers impacted by wildfires, droughts, hurricanes, winter storms, and other eligible disasters experienced during calendar years 2020 and 2021. The Farm Service Agency (FSA) has also made payments to ranchers impacted by drought and wildfire through the first phase of the **Emergency Livestock Relief Program (ELRP)**. ERP is another relief component of the Act.

### Overview

ERP covers losses to crops, trees, bushes and vines due to a qualifying natural disaster event in calendar years 2020 and 2021.

For impacted producers, FSA will be administering emergency relief to row crop and specialty crop producers through the following two-phased process:

- Phase 1 will leverage existing **Federal Crop Insurance or Noninsured Crop Disaster Assistance Program (NAP)** data as the basis for calculating initial payments.
- Phase 2 will be intended to fill additional assistance gaps and cover eligible producers who did not participate in existing risk management programs.

This two-phased approach enables USDA to streamline the application process to reduce the burden on producers, proactively include underserved producers who have been left out of past relief efforts and encourage participation in existing risk management tools that can help producers handle future extreme weather events.

### Eligibility – Phase 1

Eligible crops include all crops for which federal crop insurance or NAP coverage was available and a crop insurance indemnity or NAP payment was received, except for crops intended for grazing. Qualifying natural disaster events include wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including apolar vortex), smoke exposure, excessive moisture, qualifying drought, and related conditions.

For ERP eligibility, “related conditions” are damaging weather and adverse natural occurrences that occurred concurrently with and as a direct result of a specified qualifying disaster event. They include:

- Excessive wind that occurred as a direct result of a derecho;
- Silt and debris that occurred as a direct result of flooding;
- Excessive wind, storm surges, tornados, tropical storms, and tropical depressions that occurred as a direct result of a hurricane; and
- Excessive wind and blizzards that occurred as a direct result of a winter storm.

For drought, ERP assistance is available if any area within the county in which the loss occurred was rated by the U.S. Drought Monitor as having a drought intensity of:

- D2 (severe drought) for eight consecutive weeks; or
- D3 (extreme drought) or higher level of drought intensity.

Lists of 2020 and 2021 drought counties eligible for ERP are available on the [emergency relief website](#).

### For More Info

Additional USDA disaster assistance information can be found on [farmers.gov](#), the [Disaster Assistance Discovery Tool](#), [Disaster-at-a-Glance fact sheet](#), and [Farm Loan Discovery Tool](#).

For FSA and Natural Resources Conservation Service programs, producers should contact their local [USDA Service Center](#). For assistance with a crop insurance claim, producers and landowners should contact their [crop insurance agent](#).



## How to Apply – Phase 1

To simplify the delivery of ERP Phase 1 benefits; FSA will send pre-filled application forms to producers whose crop insurance and NAP data is already on file because they received a crop insurance indemnity or NAP payment. This form includes eligibility requirements, outlines the application process, and provides ERP payment information. Producers will receive a separate application form for each program year. Receipt of a pre-filled application is not confirmation that a producer is eligible to receive an ERP Phase 1 payment. Producers will need to return completed and signed ERP Phase 1 applications to their local FSA county office.

Producers must also have the following forms on file with FSA within a subsequently announced deadline as determined by the Deputy Administrator for Farm Programs:

- Form AD-2047, Customer Data Worksheet
- Form CCC-902, Farm Operating Plan for an individual or legal entity
- Form CCC-901, Member Information for Legal Entities (if applicable)
- A highly erodible land conservation (sometimes referred to as HELC) and wetland conservation certification (Form AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification) for the ERP producer and applicable affiliates.

Most producers, especially those who have previously participated in FSA programs will likely have these required forms on file. However, those who are uncertain or want to confirm should contact their **local FSA county office**.

In addition to the forms listed above, certain producers will also need to submit the following forms to qualify for an increased payment limitation or payment rate.

- Form FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs.
- Form CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification, for the applicable program year.

## How Payments are Calculated – Phase 1

ERP Phase 1 payments for crops covered by crop insurance will be prorated by 75 percent to ensure that total ERP payments, including payments under ERP Phase 2, do not exceed the available funding. ERP Phase 1 payments for NAP-covered crops will not be prorated due to the significantly smaller NAP portfolio that by its nature only covers smaller acreages and specialty crops that are not covered by crop insurance.

RMA and FSA will calculate ERP Phase 1 payments based on the data on file with the agencies at the time of calculation.



The ERP Phase 1 payment calculation for a crop and unit will depend on the type and level of coverage obtained by the producer. RMA and FSA will calculate each producer's loss consistent with the loss procedures for the type of coverage purchased but using the ERP factor in place of the coverage level. This calculated amount would then be adjusted by subtracting out the net crop insurance indemnity or NAP payment, which is equal to the producer's gross crop insurance indemnity or NAP payment already received for those losses minus service fees and premiums.

## ERP Factor Tables

ERP factor tables can be found below and on the [emergency relief website](#):

Crop Insurance Level	ERP Factor (Percent)
Catastrophic coverage	75
More than catastrophic coverage but less than 55 percent	80
At least 55 percent but less than 60 percent	82.5
At least 60 percent but less than 65 percent	85
At least 65 percent but less than 70 percent	87.5
At least 70 percent but less than 75 percent	90
At least 75 percent but less than 80 percent	92.5
At least 80 percent	95

NAP Coverage Level	ERP Factor (Percent)
Catastrophic coverage	75
50 percent	80
55 percent	85
60 percent	90
65 percent	95

Because the amount of loss due to a qualifying disaster event in calendar years 2020 and 2021 cannot be separated from the amount of loss caused by other eligible causes of loss as defined by the applicable crop insurance or NAP policy, the ERP Phase 1 payment will be calculated based on the producer's loss due to all eligible causes of loss.

## Historically Underserved Producers

The ERP payment percentage for historically underserved producers, including beginning, limited resource, socially disadvantaged and veteran farmers and ranchers will be increased by 15% of the calculated payment.

To qualify for the higher payment percentage, eligible producers must have a **CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification**, form on file with FSA for the applicable program year.

## Payment Limitation and Adjusted Gross Income

The payment limitation for ERP Phase 1 is determined by the person's or legal entity's average adjusted gross farm income (income from activities related to farming, ranching, or forestry). A person or legal entity, other than a joint venture or general partnership, cannot receive, directly or indirectly, more than \$125,000 in payments for specialty crops and \$125,000 in payment for all other crops under ERP (for Phase 1 and Phase 2 combined) for a program year if their average adjusted gross (AGI) farm income is less than 75 percent of their average AGI the three taxable years preceding the most immediately preceding complete tax year.



If at least 75% of the person or legal entity's average AGI is derived from farming, ranching, or forestry related activities and the participant provides the required certification and documentation, as discussed below, the person or legal entity, other than a joint venture or general partnership, is eligible to receive, directly or indirectly, up to:

- \$900,000 for each program year for specialty crops; and
- \$250,000 for each program year for all other crops

The relevant tax years for establishing a producer's AGI and percentage derived from farming, ranching, or forestry related activities are:

- 2016, 2017, and 2018 for program year 2020;
- 2017, 2018, and 2019 for program year 2021; and
- 2018, 2019, and 2020 for program year 2022

To request the increased payment limitation, participants must file form FSA-510 complete with participant's certification their average adjusted gross farm income is at least 75% of their average AGI and a certification from a Licensed Certified Public Accountant (CPA) or Attorney that the participant meets the requirements. To learn more, visit the [Payment Eligibility and Payment Limitations](#) website.

## Future Insurance Coverage Requirements

All producers who receive ERP Phase 1 payments, including those receiving a payment based on tree, bush, or vine crop insurance policies, are statutorily required to purchase crop insurance, or NAP coverage where crop insurance is not available, for the next two available crop years, as determined by the Secretary. Participants must obtain crop insurance or NAP, as may be applicable:

- At a coverage level equal to or greater than 60% for insurable crops; or
- At the catastrophic level or higher for NAP crops

Coverage requirements will be determined from the date a producer receives an ERP payment and may vary depending on the timing and availability of crop insurance or NAP for a producer's particular crops. The final crop year to purchase crop insurance or NAP coverage to meet the second year of coverage for this requirement is the 2026 crop year.

## Emergency Relief – Phase 2 (Crop and Livestock Producers)

The second phase of both crop (ERP) and livestock (ELRP) programs will fill gaps and cover producers who did not participate in or receive payments through the existing programs that are being leveraged for Phase 1 implementation.

All ERP information and resources will be updated on the emergency relief website as Phase 2 policies and provisions are available.

## Emergency Relief Program (ERP) Phase 1 for Crop Insurance Policyholders

### Background

ERP Phase 1 for crop insurance will include policyholders that received an indemnity in crop years 2020, 2021, or 2022 for a qualifying disaster event that occurred in the 2020 or 2021 calendar year. Coverage and claim data reported to RMA by the AIPs is used to calculate the ERP payment amount for each insured unit. The ERP payment calculation generally follows the type of coverage purchased but replaces the crop insurance coverage level with a higher coverage level (i.e., ERP factor). The result is reduced by the net indemnity paid to the producer (e.g., total indemnity less producer premium and administrative fees). In other words, ERP covers a portion of the loss incurred that is within the crop insurance deductible while also reimbursing producer premium and administrative fees.

With few exceptions, primary policyholders that received an indemnity in crop years 2020, 2021, or 2022 and that had claim records indicating a date of damage in the 2020 or 2021 calendar year will receive a letter from the USDA-FSA. The letter will include a pre-filled application for each crop year that will provide information on the crop(s), physical location(s), and unit(s) potentially eligible for assistance under Phase 1. Also included will be SBIs associated with the policy, gross indemnity, and the calculated ERP payment. Crop insurance data used to pre-fill the application is as of May 2, 2022, and cannot be modified. Any disputes over this information would need to be addressed in a subsequent Phase of ERP. In addition, the data will be updated at a future date to identify 'new' records, resulting in a separate mailing.

Producers will be required to input crop share information, certify to future crop insurance purchase requirements, and, most importantly, certify that a qualifying disaster event did cause some portion of their loss. Causes of loss reported on crop insurance claim records are not used to establish producer eligibility. Producers will take completed applications to their local service center to complete the process, including the determination of payment limits and eligibility for historically underserved producer adjustments. FSA will also apply a 75% payment factor that may be adjusted higher in the future (additional payments made) if funds are available.

The general concept behind the payment calculation is as follows:

$$\begin{aligned} \text{ERP Payment} &= (\text{Expected Value} \times \text{ERP Factor} - \text{Actual Value}) \\ &\quad \times \text{Share} \\ &\quad - \text{Indemnity Amount} \\ &\quad + \text{Producer Premium} \\ &\quad + \text{Administrative Fees} \end{aligned}$$

### Finer Detail

#### Qualifying disaster event

Includes wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze (including a polar vortex), smoke exposure, excessive moisture, qualifying drought, and related conditions. For qualifying drought, any area within the county must have been rated by the U.S. Drought Monitor as having D2 for eight consecutive weeks or D3/D4 level of drought intensity.

### Cross Agency Matching

For a producer to receive a letter, the primary policyholder tax identification number, as reported by the AIP, must match with data on file with FSA. Similarly, for an SBI to be listed on the ERP application, the SBI tax identification number must match with data on file with FSA.

### Policy exceptions

Perennial crops with an intended use of grazing (as determined by the ADM); livestock policies; nursery; forage seeding; Cottonseed Endorsement; Downed Rice Endorsement; Sugarcane Crop Replacement Endorsement; Margin Protection Plan policies purchased without a base policy; replant payment claim records; and raisin reconditioning payment claim records are not included in the data provided to FSA.

In addition, policyholders with 2021 crop year coverage under Stacked Income Protection (STAX), Supplemental Coverage Option (SCO), Enhanced Coverage Option (ECO), Margin Protection (MP), and Area Risk Protection Insurance (ARPI) are not included in the data provided to FSA. This includes the underlying crop-units associated with STAX, SCO, ECO, and MP. The data will be updated at a future date to identify 'new' records and will be followed by a separate mailing.

### Data transformations:

Given the need to minimize the number of records for a given producer, crop insurance data was aggregated to the insured unit level. This necessitated the creation of unit numbers for purposes of the ERP application. The following table outlines how unit numbers were derived for the ERP application:

<b>Unit Type</b>	<b>Derived Unit Number (ERP application "Pay Unit")</b>
Enterprise	EU-0001000 (ignores basic unit number and optional unit number reported through PASS)
Enterprise by Irrigation Practice	EP-0001 + irrigation practice code (e.g., EP-00010002) (ignores basic unit number and optional unit number reported through PASS)
Enterprise by Cropping Practice	EC-0001 + cropping practice code (e.g., EC-00010019) (ignores basic unit number and optional unit number reported through PASS)
Enterprise by Type	ET-0001 + type code (e.g., ET-00010012) (ignores basic unit number and optional unit number reported through PASS)
Basic Unit	BU-basic unit number + 0000 (e.g., BU-00020000) (ignores optional unit number reported through PASS)
Optional Unit	OU-basic unit number + optional unit number (e.g., OU-00010009) (reflects basic unit number and optional unit number reported through PASS)
Unit Division Option	UD-basic unit number + optional unit number (e.g., UD-00010009) (reflects basic unit number and optional unit number reported through PASS)
Written Unit Agreement	UA-basic unit number + optional unit number (e.g., UA-00010009) (reflects basic unit number and optional unit number reported through PASS)
Whole Farm Unit	WU-00000000

	(ignores basic unit number and optional unit number reported through PASS)
Whole Farm Revenue Protection	-00000000 (no unit number reported through PASS)
Area-based plans	- + basic unit number + optional unit number (e.g., -00010009) (reflects basic unit number and optional unit number reported through PASS)

In some limited situations, multiple policy numbers for the same producer, crop, and county resulted in two units with the same derived unit numbers. In these situations, the '00' in the fourth and fifth position of the derived unit were replaced with '88' for one of the units (e.g., BU-00020000 became BU-88020000). This was necessary given that the ERP application does not include other identifiers such as policy number, insurance plan, or coverage type code (CAT vs. Buy-up).

For the whole farm unit structure (WU unit structure code), the ERP application will list "Whole Farm Unit" as the crop as the crop insurance data for all crops under the WU were combined.

For policies with multi-county enterprise units, crop insurance data for the secondary county is combined with the primary county. The ERP application does not provide the secondary county.

ERP Factor

The following table provides the ERP factor associated with a given level of crop insurance coverage:

<b>Crop Insurance Coverage Level</b>	<b>ERP Factor</b>
Catastrophic coverage .....	75.0
More than catastrophic coverage but less than 55 percent.....	80.0
At least 55 percent but less than 60 percent.....	82.5
At least 60 percent but less than 65 percent.....	85.0
At least 65 percent but less than 70 percent.....	87.5
At least 70 percent but less than 75 percent.....	90.0
At least 75 percent but less than 80 percent.....	92.5
At least 80 percent .....	95.0

In the basic case, the crop insurance coverage level is established as the coverage level percent multiplied by the price election percent (e.g., 75% x 90% equals 67.5% and results in an 87.5% ERP factor). However, supplemental coverages are also included. That is, if someone with Revenue Protection at 75% also purchased the full value of SCO and the full value of ECO, the producer would be recognized as having a 95% coverage, resulting in a 95% ERP factor. Importantly, all net indemnities from supplemental coverages are subtracted from the ERP payment.

ERP Payment Calculations

The general calculation for all plans except ARPI, RI, and standalone STAX policies is:

$$\text{ERP Payment} = (\text{Expected Value} \times \text{ERP Factor} - \text{Actual Value}) \times \text{Share} \times \text{Multiple Commodity Factor} - \text{Indemnity Amount} + \text{Producer Premium} + \text{Administrative Fees}$$

Expected value is derived from data reported on the loss record and is adjusted to reflect 100% of the price election (as applicable). For example, expected value for APH (90) is calculated as: (Loss Guarantee Amount x Price Election) / (Coverage Level Percent x Price Election Percent).

Actual value is derived from data reported on the loss record and is adjusted to reflect 100% of the price election (as applicable). For example, actual value for APH (90) is calculated as Production to Count x Price Election. For YP (01) or RP (02), actual value equals the Revenue to Count reported on the loss record.

Indemnity amount and producer premium include any amounts for supplemental coverages associated with that crop-unit. Since the ERP application reports at the crop-unit level and administrative fees are not assessed at the unit level, all fees associated with the crop are applied to one unit on the application.

For ARPI, RI, and standalone STAX policies, the ERP factor was used to recalculate what the area-based payment factor for production losses would have been under the given plan. The formulas for these vary by plan but, as an example, the RI calculation is:

ERP Payment = Expected Value x ERP Factor x Modified Payment Factor x Share x Multiple Commodity Factor – Indemnity Amount + Producer Premium + Administrative Fees

ERP FAQ's - see also [Emergency Relief Program \(usda.gov\)](https://www.usda.gov/emergency-relief-program)

- Q: Why are there 2 phases for ERP?

A: The two-phased process allows FSA to continue to evaluate and identify the impacts of 2020 and 2021 natural disasters on diversified, row crop and specialty crop operations and expedite distribution of much-needed emergency relief program benefits. Phase 1 was implemented to expedite assistance to producers with crop insurance and NAP coverage by using existing Risk Management Agency (RMA) and FSA claim data. Phase 2 will compensate eligible producers not paid under Phase 1 for their eligible losses, including those that may have had crop insurance or NAP, but the loss was not large enough to trigger an indemnity and address any other gaps or areas impacted by the 2020 and 2021 natural disasters

- Q: What is ERP Phase 1?

A: ERP Phase 1 will use a streamlined process with pre-filled application forms and provide payments for crop production losses and tree, bush, and vine losses in certain situations where the claim data is already on file with FSA or the RMA, as a result of the producer previously receiving a Noninsured Crop Disaster Assistance Program (NAP) payment or a crop insurance indemnity under certain crop insurance policies.

- Q: What is ERP Phase 2?

A: ERP Phase 2 will be for all eligible producers that experienced an eligible loss that did not receive a payment under Phase 1. This includes shallow losses, uninsured crops, and quality losses not accounted for in Phase 1.

- Q: Am I eligible for Phase 1 and Phase 2 payments?

A: Producers who apply for payment under ERP Phase 1 may also apply under ERP Phase 2; however, payments under ERP Phase 2 will take into account any amounts received for the crop and unit under ERP Phase 1. ERP Phase 2 provisions will be specified in a future announcement.

- Q: If I received a letter for Phase 1, am I automatically eligible for a disaster payment?

A: No, before an ERP payment can be made producers are responsible for confirming and certifying that the indemnities shown on the letter are a result of a qualifying disaster event. Qualifying disaster events include wildfires, hurricanes (including related excessive wind, storm surges, tornado, tropical storms, and tropical depression), floods (including related silt and debris), derechos (including related excessive wind), excessive heat, winter storms (including related blizzard and excessive wind), freeze (including a polar vortex), smoke exposure, excessive moisture, and qualifying drought occurring in calendar years 2020 and 2021. Related conditions must have occurred as a direct result of the indicated disaster event. "Qualifying drought" includes only those counties in which the drought intensity was rated by the U.S. Drought Monitor as having a D2 (severe

drought) for eight consecutive weeks or a D3 (extreme drought) or higher level at any point during the applicable calendar year.

- Q: When will pre-filled ERP Phase 1 applications be mailed?

A: Pre-filled applications for ERP Phase 1 will be mailed in late May 2022. We will share the exact date online here on the [Emergency Relief](#) webpage once the date is confirmed.

- Q: Do I have to submit my ERP application to an FSA County Office?

A: Producers wanting to receive payment under Phase 1 need to submit the application to an FSA county office. Applications can be accepted by fax, email, or submitted in person, to an FSA County Office.

- Q: Who must sign the ERP application?

A: All producers certifying to a share on the ERP application must sign the application to receive a payment.

- Q: What if I am the primary crop insurance policy holder with other Substantial Beneficial Interests (SBI) listed on my application and I have designated SBI shares, but am not able to collect all SBI signatures on my ERP application?

A: The ERP application will be considered incomplete.

- Q: If I don't agree with the pre-filled information on my application what should I do?

A: Contact your crop insurance agent for questions regarding crop insurance information. Contact your FSA office for questions regarding NAP information.

- Q: What eligibility forms must be submitted to the FSA County Office prior to receiving an ERP payment?

A: Eligibility forms include the **AD-2047 Customer Data Worksheet** (if applicable), the **CCC-902 Farm Operating Plan for Payment Eligibility**, the **CCC-901 Member Information for Legal Entities** (if applicable), and the **AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification**.

Many producers, especially if they have participated in FSA programs recently, will already have these forms on file with FSA. Producers who are unsure of whether a form is on file may contact their local FSA service center.

Also, certain producers will also need to submit the following forms to qualify for an increased payment rate or payment limitation, Form **CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification**, applicable for the program year or years for which the producer is applying for ERP; or Form **FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs**,

accompanied by a certification from a certified public accountant or attorney as to that person or legal entity's certification, for a legal entity and all members of that entity, for each applicable program year.

FSA will continue to accept forms CCC-860 and FSA-510 from producers for the purpose of establishing eligibility for an increased payment rate or payment limitation until the deadline.

- Q: How do I know if the indemnity received was due in whole or in part by a qualifying disaster event?

A: For crop insurance, contact your crop insurance agent to verify the disaster event that affected your crop. For NAP crops, contact your FSA office to verify the disaster event that affected your crop. Also, for drought related events, the drought index link can be used to help consider eligibility.

[2020 drought counties eligible for ERP](#)

[2021 drought counties eligible for ERP](#)

- Q: I had crop insurance and had a loss on a crop that has not been paid yet, am I still eligible for Phase 1?

A: The data used to populate the initial Phase 1 letter included claim data on file with RMA as of May 2, 2022. In late summer 2022, updated claim information will be used to generate a second letter for those crop/units not included in the initial letter.

- Q: I had crop insurance in 2021 and was indemnified for a qualifying disaster event but did not receive a letter or the letter did not include all of my affected crop/units. Am I still eligible for Phase 1?

A: The data used to populate the initial Phase 1 letter included claim data on file with RMA as of May 2, 2022. At that time, claim data for the Supplemental Coverage Option (SCO), Enhanced Coverage Option (ECO), Stacked Income Protection Plan (STAX), Margin Protection Plan, (MP) or Area Risk Protection Insurance (ARPI) was not complete and crop/units including these coverages were not included in the initial Phase 1 letter. If you did not have coverage under SCO, ECO, STAX, MP, or ARPI, contact your crop insurance agent to ensure your claim information was submitted to RMA by your approved insurance provider. In late summer 2022, updated claim information will be used to generate a second letter for those crop/units not included in the initial letter.

- Q: Why did my neighbor receive an ERP application and I did not?

A: Only producers who received an indemnity as determined by RMA under certain crop insurance policies or a payment for NAP received an application for Phase 1.

- Q: When will I receive my payment after I have submitted my complete ERP application?

A: The ERP payment will be processed after all eligibility forms have been received and the FSA representative has signed and certified the payment.

- Q: I am a NAP producer and didn't receive an ERP application. When will I receive my ERP application?

- o A: Pre-filled application forms for NAP producers will be mailed late summer 2022.

- Q: What if I lost my ERP application?

A: The FSA Office can print an application to be completed.

- Q: How do I receive a higher payment limitation?

A: Complete an Form FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs, to request an exception to the ERP payment limitation.

- Q: What is the ERP enrollment deadline?

A: FSA will continue accepting applications until the deadline is announced at a future date

- Q: Am I required to purchase crop insurance or NAP in the future if I receive an ERP payment?

A: Yes, any applicant that receives an ERP payment must agree to purchase crop insurance or NAP, as applicable, for the next 2 available crop years, as determined by the Secretary. Availability will be determined from the date a producer receives an ERP payment and may vary depending on the timing and availability of crop insurance or NAP for a producer's particular crops. The final crop year to purchase crop insurance or NAP coverage to meet the second year of coverage for this requirement is the 2026 crop year. For crop insurance you must agree to purchase at the 60/100 coverage level or higher, and for NAP agree to purchase coverage at the catastrophic level or higher.

- Q: I no longer farm; do I still need to agree to purchase crop insurance or obtain NAP coverage on the ERP application?

A: Yes, all participants must agree to purchase coverage in order to receive an ERP payment. However, producers who were paid under ERP Phase 1 for a crop in a county, but do not plant that crop in that county in a year for which this requirement applies, are not subject to the crop insurance or NAP purchase requirement for that year.

- Q: If I received an ELAP payment for aquaculture, will I receive an ERP Phase 1 payment?

A: ERP Phase 1 will not include losses to aquacultural species that were compensated under the Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish Program (generally referred to as ELAP).

- Q: Will quality be included under Phase 1?

A: While some quality losses may be included in Phase 1 calculations, there are no special provisions for quality under Phase 1.

- Q: What ERP factor will be considered for policies with Margin Protection?

A: Producers will get credit for the higher of, for example, if the underlying coverage level had 70% and Margin Protection was elected at 85%, then 85% is used and the ERP factor is 95%. Producers with a standalone Margin Protection policy are not included in Phase 1.

- Q: Is there an unharvested factor consideration?

A: The FSA unharvested factors do not apply to crop insurance policies under Phase 1 as the crop insurance terms are generally followed.

- Q: How does ERP look at prevented planting losses?

A: Prevented planting carries through and is recalculated at the ERP factor (provided the damage date was 2020 or 2021 and it was reported).

Basic Example:

Crop Ins APH = 150

Price = \$4.00

Coverage = 85%

PP factor = 55%

PP payment =  $150 \times 4 \times 0.85 \times 0.55 = \$280.50/\text{ac}$

ERP Factor=95%

ERP payment (before premium/fee accounted for) =  $150 \times \$4.00 \times 0.95 \times 0.55 - \$280.50 = \$33/\text{ac}$

May 23, 2022

**RE:** Emergency Relief Program Phase 1 Signup

Dear Producer:

You are receiving this letter because Risk Management Agency (RMA) records indicate you have received a crop insurance indemnity for the 2020, 2021, and/or 2022 crop year for an insured cause of loss that occurred in calendar year 2020 and/or 2021. You **may** be eligible for additional benefits under the recently announced Emergency Relief Program (ERP) if you meet the requirements outlined in this letter.

The ERP will provide assistance for losses of crops, trees, bushes, and vines due to qualifying disaster events. FSA will follow a two-phased process to administer ERP. Phase 1 will provide payments to producers who received crop insurance indemnities using claim data that was on file with RMA as of May 2, 2022. This letter advises you of your **option** to participate in Phase 1 if you suffered a loss due to a qualifying disaster event as discussed below. For indemnified losses filed after May 2, 2022, and producers receiving Noninsured Crop Disaster Assistance Program (NAP) payments, a separate notification and pre-filled application will be provided at a later date. Phase 2 will be announced in the future and will encompass eligible losses and participants not included under Phase 1.

Qualifying disaster events include wildfires, hurricanes (including related excessive wind, storm surges, tornado, tropical storms, and tropical depression), floods (including related silt and debris), derechos (including related excessive wind), excessive heat, winter storms (including related blizzard and excessive wind), freeze (including a polar vortex), smoke exposure, excessive moisture, and qualifying drought occurring in calendar years 2020 and 2021. Related conditions must have occurred as a direct result of the indicated disaster event. "Qualifying drought" includes only those counties in which the drought intensity was rated by the U.S. Drought Monitor as having a D2 (severe drought) for eight consecutive weeks or a D3 (extreme drought) or higher level at any point during the applicable calendar year. A list of counties that experienced a qualifying drought in calendar years 2020 and 2021 is available through local FSA service centers and at <https://www.fsa.usda.gov/programs-and-services/emergency-relief/index>.

**Instructions:**

- To request an ERP Phase 1 payment, you must complete the enclosed FSA-520 Emergency Relief Program (ERP) Application **and submit it to FSA by July 22, 2022**. The FSA-520 is pre-filled with information based on your crop insurance participation. Please complete items 13 through 15 under Part C and item 24 under Part E as applicable and return to the FSA County Office listed in item 5 of the form. For further guidance on how to complete the form, instructions may be found at <https://forms.sc.egov.usda.gov/eForms/welcomeAction.do?Home>.

**Note: If you are not currently an FSA customer, one or more of the forms identified in Part A of the FSA-520 may be required.**

- To receive a payment under ERP, you must agree to purchase crop insurance or NAP, as applicable for the crop, at the 60/100 level of coverage or higher for insured crops, or at the catastrophic level of coverage or higher for NAP crops for the next two available crop years.

For more information, additional details are available online at <https://www.fsa.usda.gov/programs-and-services/emergency-relief/index>. If you have questions on any of the pre-filled information on Part C, items 7 through 10 and item 12 of the application, please contact your crop insurance agent. If you have additional questions, contact the FSA Call Center at 1-877-508-8364 or the FSA County Office listed in item 5 of the application.



Enclosure: Producer Specific Pre-filled FSA-520

Sample

<b>FSA-520</b> (05-23-22)  <b>U.S. DEPARTMENT OF AGRICULTURE</b> Farm Service Agency  <b>EMERGENCY RELIEF PROGRAM (ERP)</b> <b>PHASE 1 APPLICATION</b>	1. Crop Year	2. Application Number
	3. Recording State Name/Code	4. Recording County Name/Code
	5A. Name and Address of Recording County FSA Office (Include City, State and Zip Code)	
	5B. Recording County FSA Office Telephone No. (Include Area Code)	

**NOTE:** The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a - as amended). The authority for requesting the information identified on this form is the Extending Government Funding and Delivering Emergency Assistance Act (Pub. L. 117-43). The information will be used to determine eligibility for program benefits. The information collected on this form may be disclosed to other Federal, State, and Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary; however, failure to furnish the requested information will result in a determination of ineligibility for program benefits. Payments may be made under the program to which the form applies only to the extent permitted by applicable authorities.

**Public Burden Statement (Paperwork Reduction Act):** Public reporting burden for this collection is estimated to average 15 minutes per response, including reviewing instructions, gathering and maintaining the data needed, completing (providing the information), and reviewing the collection of information. You are not required to respond to the collection of information, unless it displays a valid OMB control number. **RETURN THIS COMPLETED FORM TO YOUR RECORDING COUNTY FSA OFFICE.**

**PART A – PRODUCER AGREEMENT**

The Farm Service Agency (FSA) will make payments under ERP Phase 1 to producers who meet the requirements of the program. The following information is needed in order for FSA to determine that the producer is eligible to receive ERP Phase 1 assistance. By submitting this application, the producer agrees:

- To comply with the Notice of Funds Availability published by FSA. A copy of this document may be found at: <https://www.fsa.usda.gov/programs-and-services/emergency-relief/index>
- To provide to FSA any additional information requested by FSA to verify that information provided on this form is accurate. Producer is required to retain documentation in support of their application for 3 years after the date of approval. All information provided to FSA for program eligibility and payment calculation purposes, including certification that a producer suffered an eligible loss due to a qualifying disaster event, is subject to spot check.
- To comply with payment attribution and payment eligibility provisions by submitting the following forms within 60 days, if not already on file with FSA:
  - AD-2047, Customer Data Worksheet
  - CCC-902, Farm Operating Plan for Payment Eligibility
  - CCC-901, Member Information for Legal Entities (if applicable)
  - AD-1026, Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification
  - FSA-510, Request for an Exception to the \$125,000 Payment Limitation for Certain Programs (if applicable)
  - CCC-860, Socially Disadvantaged, Limited Resource, Beginning and Veteran Farmer or Rancher Certification (if applicable).

The application will not be considered complete until all producers that have a share of the ERP Phase 1 payment have completed all required items and signed in item 24. Failure of an individual, entity, or member of an entity to timely submit all information required may result in no payment or a reduced payment.

- That for the purpose of certifications in items 15 and 23, a qualifying loss means that the calculated crop insurance indemnity or NAP payment that I received was due, in whole or in part, to a crop production loss or a loss of trees, bushes, and vines caused by a qualifying disaster event. For ERP, qualifying disaster event means: wildfires, hurricanes (including excessive wind, storm surges, tornados, tropical storms, and tropical depressions that occurred as a direct result of a hurricane), floods (including silt and debris that occurred as a direct and proximate result of flooding), derechos (including excessive wind that occurred as a direct result of a derecho), excessive heat, winter storms (including excessive wind and blizzards that occurred as a direct result of a winter storm), freeze (including a polar vortex), smoke exposure, excessive moisture, and qualifying drought, and related conditions, occurring in calendar years 2020 and 2021. Related conditions mean damaging weather and adverse natural occurrences that occurred concurrently with and as a direct result of a specified qualifying disaster event. "Qualifying drought" means an area within the county in which the loss occurred was rated by the U.S. Drought Monitor as having a drought intensity of D2 (severe drought) for eight consecutive weeks or D3 (extreme drought) or higher for any period of time during the applicable calendar years. A list of counties that experienced a qualifying drought in calendar years 2020 and 2021 is available through local FSA service centers and at <https://www.fsa.usda.gov/programs-and-services/emergency-relief/index>.

DATE STAMPED

**PART A – PRODUCER AGREEMENT, Continued from Page 1**

The Extending Government Funding and Delivering Emergency Assistance Act requires producers to obtain crop insurance or NAP coverage for the next two available crop years to be eligible for an ERP payment. By signing this form, the producer agrees to **have read and comply with the crop insurance and NAP coverage requirement as stated below for each crop for which “Yes” is checked in items 14 and 22.** This agreement does not supersede or modify any previous requirements to purchase crop insurance or NAP coverage under any other law or program.

I understand that I have applied for a payment under ERP on at least one **insurable crop and/or NAP eligible crop**. In return for receiving a payment under ERP, I agree to purchase crop insurance or NAP, as may be applicable for the crop, at a coverage level equal to or greater than 60 percent for insurable crops; or at the catastrophic level or higher for NAP crops, for the next two available crop years. Availability will be determined from the date I receive an ERP payment and may vary depending on the timing and availability of crop insurance or NAP for particular crops. The final crop year to purchase crop insurance or NAP coverage to meet the second year of coverage for this requirement is the 2026 crop year. I understand that I am also required to pay any service fees, administrative fees, and premiums associated with such coverage. I acknowledge that I must refund my ERP payment if I fail to meet this requirement.

If I am required to meet this requirement for a crop for which an individual crop insurance policy is not available and I am ineligible for a NAP payment for the applicable year(s) because I exceed the average Adjusted Gross Income (AGI) limitation, then I must meet this requirement by either:

- obtaining NAP coverage and paying the applicable NAP service fee as required above, regardless of my ineligibility for NAP payment; or
- purchasing Whole-Farm Revenue Protection (WFRP) crop insurance coverage, if eligible,

If I receive a Phase 1 payment that was calculated based on an indemnity under a PRF, Annual Forage, or WFRP policy, I understand that I must purchase the same type of policy or a combination of individual policies for the crops that had covered losses under ERP to meet this linkage requirement.

**PART B – PRODUCER INFORMATION**

6. Producer’s Name, Address (City, State and Zip Code) and Phone Number (Include Area code)

**PART C – INSURED CROP INFORMATION**

7. Physical State/County Code	8. Pay Unit	9. Crop	10. Gross Indemnity	11. Estimated ERP Payment (Prior to adjustments)	12. Primary Policyholder and SBI's	13. Share	14. In return for receiving an ERP payment on this crop, I agree to purchase crop insurance or NAP as provided in Part A.	15. I certify that I had a qualifying loss as defined in Part A.
							<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
							<input type="checkbox"/> Yes <input type="checkbox"/> No	
							<input type="checkbox"/> Yes <input type="checkbox"/> No	

**PART D – NAP CROP INFORMATION**

16. Admin State/County Code	17. Unit	18. Crop	19. Pay Group	20. NAP Payment	21. Estimated ERP Payment (Prior to adjustments)	22. In return for receiving an ERP payment on this crop, I agree to purchase crop insurance or NAP as provided in Part A.	23. I certify that I had a qualifying loss as defined in Part A.
						<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

**PART E – PRODUCER CERTIFICATIONS**

I certify that all information on this application, whether entered by me or by someone else on my behalf, is true and correct. I understand that if any information is determined to be in error, the application may be denied, and such errors may result in a determination of ineligibility in whole or in part.

24A. Producer's/Primary Policyholder's Signature (By)	24B. Title/Relationship of Individual Signing in a Representative Capacity	24C. Date (MM-DD-YYYY)
24D. SBI Signature (By)	24E. Title/Relationship of Individual Signing in a Representative Capacity	24F. Date (MM-DD-YYYY)

**PART F –FSA REPRESENTATIVE CERTIFICATION**

25A. FSA Representative's Signature	25B. Date Signed (MM-DD-YYYY)
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*In accordance with Federal civil rights law and USDA civil rights regulations and policies, the USDA, its agencies, offices, and employees participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.*

*Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.*

*To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider, employer, and lender.*