

Commodity and specialty crop producers will benefit from emergency relief payments, to compensate for crop yield and value losses caused by natural disaster events in 2020 and 2021.

[In a statement](#), the USDA announced the Farm Service Agency's (FSA) Emergency Relief Program which is worth a total of \$6 billion.

"For over two years, farmers and ranchers across the country have been hard hit by an ongoing pandemic coupled with more frequent and catastrophic natural disasters," said Agriculture Secretary Tom Vilsack.

"As the agriculture industry deals with new challenges and stressors, we at USDA look for opportunities to inject financial support back into the rural economy through direct payments to producers who bear the brunt of circumstances beyond their control," he added.

"These emergency relief payments will help offset the significant crop losses due to major weather events in 2020 and 2021 and help ensure farming operations are viable this crop year, into the next growing season and beyond."

ERP is part of the Extending Government Funding and Delivering Emergency Assistance Act signed by President Joe Biden last year. It has already seen payments made to ranchers impacted by drought and wildfire.

The program will cover losses caused by natural disaster events to all crops for which [Federal Crop Insurance](#) or [Noninsured Crop Disaster Assistance Program](#) (NAP) coverage was available (except for crops intended for grazing), as well as trees, bushes and vines.

[Federal Crop Insurance](#) or NAP data, collected through a series of different application forms, will be used for calculating initial payments and it is estimated that benefits will reach more than 224,000 producers.

Each calculation will use an ERP factor based on the producer's level of crop insurance or NAP coverage.

- Crop Insurance - the ERP factor is 75% to 95% depending on the level of coverage ranging from catastrophic to at least 80% coverage.
- NAP - the ERP factor is 75% to 95% depending on the level of coverage ranging from catastrophic to 65% coverage.

The second phase of the program will fill the gaps and cover producers who did not participate in or receive payments through the existing programs.