

## Farm Service Agency

# The 2018 Bipartisan Budget Act – What It Means for You

The Bipartisan Budget Act of 2018 calls for changes to several key U.S. Department of Agriculture (USDA) programs administered by the Farm Service Agency (FSA) including disaster assistance, dairy and cotton programs. The Act also calls for the creation of a new program to help farmers recover following the devastating wildfires and hurricanes that occurred in 2017. Congress made many of these changes to improve programs based on feedback from America’s farmers and ranchers. Learn more about the changes:

### Disaster Assistance: 2017 Wildfires and Hurricanes Indemnity Program (2017 WHIP)

USDA can help offset losses from 2017 hurricanes and devastating wildfires. The 2017 WHIP program:

- Covers crop, tree vine and bush losses in areas impacted by hurricanes and wildfires in 2017;
- Allows coverage of up to 95 percent of the loss for producers with crop insurance and up to 65 percent of the loss for producers who do not have insurance;
- Determines compensation based on your individual losses rather than an average of losses for a particular area (where data is available);
- May provide advance payments of up to 50 percent; and
- Requires you to obtain risk protection for the next two available crop years if you receive a payment.

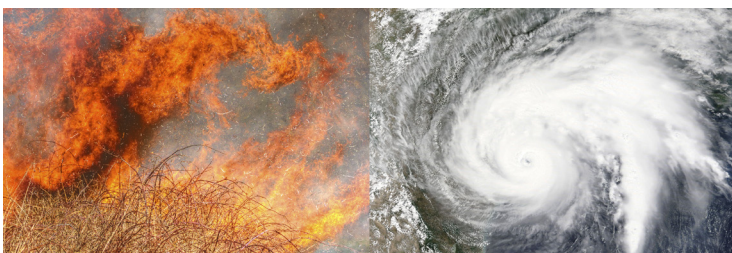
More information on this program is available at [www.fsa.usda.gov/whip](http://www.fsa.usda.gov/whip).

### Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP)

ELAP provides financial assistance to eligible producers of livestock, honeybees and farm-raised fish for losses due to disease, certain adverse weather events or loss conditions, including blizzards and wildfires, as determined by the Secretary. The Act:

- Removes the annual \$20 million funding cap effective with the 2017 and subsequent program years;
- Removes the Livestock Indemnity Program (LIP) from the combined ELAP, Livestock Forage Program (LFP) and LIP maximum per person and legal entity payment limitation for the 2017 and subsequent program years. (The \$125,000 payment limitation still applies to ELAP and LFP combined).

If you were impacted by a natural disaster, you are encouraged to file claims with **your local USDA service center**.



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### Livestock Indemnity Program (LIP)

If you own livestock or are a contract grower, LIP provides benefits for livestock deaths in excess of normal mortality caused by adverse weather or by attacks by animals reintroduced into the wild by the Federal Government. The Act:

- Expands the program to cover financial losses sustained when livestock are not killed but are injured by an eligible cause of loss and sold for a reduced price;
- Removes \$125,000 per person and legal entity payment limitation.

If you were impacted by a natural disaster, you are encouraged to file claims with **your local USDA service center**.

### Tree Assistance Program (TAP)

TAP provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters. The Act:

- Removes the per-person and legal entity program year payment limitation of \$125,000;
- Increases the acreage cap, which now makes growers eligible to be partly reimbursed for losses on up to 1,000 acres per program year, double the previous acreage.

If you were impacted by a natural disaster, you are encouraged to file claims with **your local USDA service center**.

### Emergency Conservation Program (ECP)

ECP helps you repair damage to your farmlands caused by natural disasters. It also helps you to put in methods in place for water conservation during severe drought. The Act authorized \$400 million in funding for this program.

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### Safety Net Options Margin Protection Program for Dairy (MPP-Dairy)

MPP-Dairy protects dairy producers by paying you when the difference between the national all-milk price and the national average feed cost (margin) falls below a certain dollar amount. The Act amended the program, which was originally part of the 2014 Farm Bill. The program was substantially changed. It now includes:

- Reduced premiums by up to 80 percent for small and medium dairy farms.
  - Premiums for small and medium-size farms would be eliminated on \$4.50 and \$5 coverage levels and sharply reduced at all higher levels.
  - The lower premium rates would apply to the first 5 million pounds of a farm’s historical production, up from the current limit of 4 million pounds.
- Waivers of administrative fees for socially disadvantaged, limited resource, beginning, and veteran producers; and
- Payments calculated on a monthly rather than a bimonthly basis, meaning producers get paid more quickly and likely more often.

You may participate in either MPP-Dairy or the Risk Management Agency’s Livestock Gross Margin (LGM) Dairy Insurance, but **not both at the same time.**



### Agriculture Risk Coverage (ARC) Price Loss Coverage (PLC) Programs – Seed Cotton

The ARC and PLC programs assist agricultural producers by providing income support. The Act amended the 2014 Farm Bill by adding seed cotton as a covered commodity under the ARC and PLC programs, which means:

- Generic base acres will be allocated to either seed cotton or other covered commodities or as unassigned base acres;
- Unassigned base acres are not eligible for payments;
- Farm owners have the one-time opportunity to update the PLC yield of seed cotton;
- Current producers on farms with seed cotton base acres can elect either ARC or PLC;
- Producers can enroll farms with seed cotton base acres following the base allocation, yield update, and election periods.

If you have questions or are interested in participating in these programs, contact **your local USDA service center.**