

Disaster Assistance Program Guidelines

2/5/2024

1. Program Background

The Washington State Conservation Commission (SCC), following direction from the legislature, has established this short-term disaster recovery financial assistance program – the Disaster Assistance Program (DAP) for farmers and ranchers sustaining physical damage or incurring expenses as a result of a natural disaster. It may partially reimburse eligible disaster recovery expenses or fund the implementation of Best Management Practices (BMPs) that restore and/or increase disaster resiliency.

RCW 89.08.645 requires SCC to coordinate with the Washington State Department of Agriculture (WSDA) and local conservation districts to conduct outreach to farmers and ranchers to increase awareness and understanding of the program and to ensure that farmers and ranchers are aware of other disaster relief assistance available through the state and federal government.

This program is different from other SCC grant programs in several ways. It is held in readiness until a decision is made by the Commission to "activate" the program. Once the decision is made to activate DAP in response to a specific natural disaster in a specific geography, the SCC will engage with the affected district(s) to provide technical assistance (TA) funding and other support (see Program Activation below).

DAP is not primarily focused on natural resource conservation, rather it provides limited flexible financial assistance to farmers and ranchers affected by a natural disaster. In order to ensure fairness in these awards it is imperative that robust outreach to potentially eligible landowners and farm or ranch operators be conducted. Additionally, a review committee is formed for each activation of the program to provide local knowledge, technical expertise, accountability and oversight. The committee includes both local and statewide representation (see Program Activation below).

These guidelines have been and may continue to be amended in response to feedback from interested stakeholders, additional legislative direction, or developing circumstances as the Program is implemented.

2. 2023 Proviso language

One-time funding is provided solely to support the continued development of the disaster assistance program established in RCW 89.08.645, which provides short-term financial support for farmers and ranchers during disasters. Funding must be prioritized for farmers and ranchers who are most economically vulnerable.

3. Definitions

- Executive Committee of the SCC: Consists of the Chair and Vice Chair.
- Farmer: Any person, firm, partnership, or corporation engaged in farming. If a person, firm, partnership, or corporation is engaged in activities in addition to that of farming, the definition shall only apply to that portion of the activity that is defined as farming in RCW 46.04.183)

- **Farming:** The cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (except forestry or forestry operations), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices performed on a farm as an incident to or in conjunction with such farming operations. (RCW 46.04.183)
- Livestock: Includes, but is not limited to horses, mules, cattle, sheep, swine, and goats. (RCW 16.36.005)
- Forestry: Management directly pertaining to forest land and relating to growing, harvesting, or processing, timber or forest biomass.
- Rancher: A person who owns a ranch or who raises livestock as an occupation.
- Review Committee: A group convened for a specific activation of the DAP program in response
 to a particular disaster. Membership and responsibilities are outlined below under Program
 Activation (4).
- Natural Disaster: A natural disaster is the highly harmful impact on a society or community
 following a natural hazard event. Some examples of natural hazard events include: flooding,
 drought, earthquake, tropical cyclone, lightning, tsunami, volcanic activity, wildfire.

4. Program Activation

The intention of the program is to respond to major events affecting significant numbers of farmers and/or ranchers. Given the administrative costs involved and transparency/fairness considerations, smaller, isolated events are generally not a good fit for this program. For consideration under this program, typically a minimum of 30,000 acres will have been impacted or 20 farmers and/or ranchers will have suffered losses to their farming/ranching operation, and total losses will be estimated to be well in excess of \$100,000.

A request for program activation will typically come from the conservation district or conservation districts where the disaster occurs. To explore whether an event is eligible and a good fit for the program, districts may contact their regional manager and/or the DAP program lead. Requests to activate the program must be made in writing (email is fine) to the SCC executive director, copying the DAP program lead and the regional manager(s) for the affected conservation district(s).

Once a request is made, or at their own initiative, the Executive Committee of the SCC may designate a disaster or disasters for activation of the DAP program, or they may refer the question to a full meeting of the Commissioners. Once designation is made, SCC staff will work with willing district(s) in the area affected to coordinate outreach and implementation.

It is critical that as many affected farmers and ranchers are aware of the funding opportunity as soon as possible, <u>and</u> that they are made aware of any other relief programs for which they may be eligible. SCC communications staff will assist in updating webpages, as appropriate, with information that districts can link to and help develop handouts and other materials to assist with outreach.

Applications from landowners for reimbursement shall be submitted in a form and manner prescribed by SCC. SCC will contract with willing conservation district or districts in the affected area to lead the collection and initial review of applications.

Unless otherwise agreed to by SCC, applications will be reviewed by a committee specific to that disaster response. The review committee will typically be made up of one member each from the

Washington State Department of Agriculture, a CD Supervisor or designee (in the case that more than one CD is involved, a Supervisor from each CD Board may be included), SCC, and an agricultural industry representative. Other committee makeup may be considered as best fits the situation. SCC will approve the committee membership.

The review committee is responsible to:

- Provide technical insight and awareness of local conditions.
- Ensure consistency with funding procedures and funding intent.
- Provide for case-by-case consideration of projects that are unique cases.
- Review applications and make funding recommendations to the SCC executive director or their designee.
- Develop area and disaster-specific criteria to evaluate which applicants are considered most economically vulnerable and prioritize funding accordingly.
- Advise district staff and SCC on outreach strategies to inform potentially impacted producers of available assistance, including DAP, and to help to eliminate or remove barriers to participation, especially to economically vulnerable farmers and ranchers.

The review committee will meet as often as needed, virtually or in person, to review applications.

The conservation district will retain all applications, documents, receipts, and other materials related to the farmer or rancher's submittal to show proof of damage, loss, or expense incurred, subject to review by the review committee members and SCC (on request). It is recognized that from time to time, applications may need further review by the review committee or SCC leadership.

Upon approval of the application by SCC (and not before that time) the farmer or rancher will be notified by the district of the award. If awards present a cash flow difficulty for the district, they are encouraged to request a funding advance.

5. Prioritization

The Review committee shall ensure that funding is prioritized for farmers and ranchers who are most economically vulnerable.

- One tool for the review committee to consider in accomplishing this prioritization is the <u>NRCS</u> definition of <u>Limited Resource Farmer and Rancher</u>.
- Another possible threshold to consider is prioritization of those who meet the Department of Housing and Urban Development's definition of low- and moderate-income household (household income at or below 120% of Area Median Income).
- Others may be proposed as are appropriate for the area and the disaster. The review committee shall select/establish criteria appropriate for the location and nature of the disaster to determine which applicants are most economically vulnerable and to prioritize funding for them.

6. Program Rules

- A. Payment can only be made on a reimbursement basis.
- B. Funds may be awarded for:
 - 1. New projects addressing impacts caused by a natural disaster designated by SCC for DAP program eligibility or,
 - 2. Reimbursement of expenses already incurred in response to a natural disaster designated by SCC for the DAP program and in compliance with these guidelines.
- C. To be eligible, a farmer or rancher must meet the following requirements:
 - 1. Meet the definition of farmer or rancher (above).

- 2. Have sustained physical damage or incurred cost to their farm or ranching operation due to a natural disaster such as a flood, earthquake, or wildfire for which SCC designates these funds available.
- 3. Provide sufficient documentation of such damage and/or incurred cost as a result of that natural disaster and meet all other program requirements.
- D. The maximum grant reimbursement is normally 75% of the total eligible expenses incurred in the same fiscal year as the award. Depending on the funding source used by the legislature and the SCC to fund this work, expenses incurred in the prior fiscal year *may* be eligible. Contact the program lead for more information.
- E. A farmer or rancher will be required to show all documentation of the entirety of the expenses paid to determine the SCC grant amount (Example: A farmer would need to submit documentation for \$2,000 of eligible expenses to receive \$1,500 in reimbursement).
- F. Particular attention must be paid to outreach efforts that reach economically vulnerable and historically underserved farmers and ranchers and to remove or reduce barriers to their participation in this and other disaster assistance programs.
- G. Lost or reduced income is not itself an eligible expense, though it may help establish producer eligibility under the program.
- H. An application deadline will be established for each disaster approved by SCC for use of these funds.
- I. Funding may be awarded on a rolling basis and if that is the case may be expended well before the application deadline. Early applications are encouraged.
- J. Applications must be complete and have all required documentation to be considered. SCC reserves the right to request additional information or documentation to determine eligibility. Applications missing documentation or otherwise deemed incomplete will not be considered for funding until sufficient information has been received.
- K. Physical damage or incurred expenses covered, in whole or in part, by insurance or other governmental sources are not eligible. Producers will need to stipulate to this in their application. Additional verification may be sought.
- L. Farmers or ranchers must show that the physical damage or economic loss is to their farm or ranching operation. Damage to non-farm items, areas and structures is not eligible.
- M. Forestry losses are not eligible, where forestry ground and farm and ranch land uses overlap, a case-by-case determination of eligibility will be made.
- N. Grants can only be used to reimburse expenses incurred in whole or in part due to the disaster.
- O. If an entity/business/operation/ranch/farm is owned by more than one person, only one application may be submitted.
- P. If an entity/business/operation/ranch/farm which suffered damage or loss is leased, the owner must provide a letter giving permission for expenses to be reimbursed and a statement that the owner will not be applying for same expenses and that they are not covered by insurance.
- Q. Except for approved DIP (District Implemented Projects), all expenses must be paid by the farmer or rancher before reimbursement will be provided.
- R. Verification of the damage caused by the disaster is required. Please include any pictures, maps, certifications, or other documentation of the damage or cost. The review committee may assist in locating and verifying this documentation.
- S. SCC reserves the right to deny applications if required documentation is not provided within the deadline provided. All determinations regarding the eligibility of expenses and funding amounts are final.
- T. In order to make funding available to a greater number of applicants, awards are capped at a maximum of \$50,000 per applicant per fiscal year unless an exemption is granted. Exemption requests are considered on a case-by-case basis.
- U. Depending on the funding source used by SCC in any given disaster response, expenses incurred in the prior fiscal year *may* be eligible. Contact the program lead for more information.

7. Use of Grant Funds

Grant funds may be used for approved projects recovering from the disaster or to reimburse for expenses **incurred because of the disaster**. Potentially reimbursable expenses include payroll, rent, building improvements (improvements limited to restoring to pre-disaster condition, enhancements may be considered if they contribute to disaster resiliency) or repairs, replacing damaged or lost crops (for example hay or nursery stock) livestock, and equipment, and other operations and business expenses of a farm or ranch. Lost or reduced revenue is not reimbursable.

SCC grant funds shall be administered according to SCC grants policies and procedures, including but not limited to as described in the most recent version of the Grant and Contract Policy and Procedure Manual.

Depending on the funding source SCC uses for any particular activation, some expense categories may not be eligible.

Reasonable staff time and authorized expenses expended by the conservation district or districts in administering the work of this program, including outreach to potentially impacted producers regarding this program and other available assistance, will also be an eligible use of these funds. Technical assistance budget must be preapproved.