

1. Program Background

The Washington State Legislature directed the Conservation Commission (SCC) to establish a short-term disaster recovery financial assistance program ("Program") for farmers and ranchers sustaining physical damage or financial loss as a result of a natural disaster. Initially the program must provide funding to farmers and ranchers who sustained physical damage or economic loss due to disaster events, prioritizing the event that occurred in Whatcom County during Nov-Dec 2021. The Legislature additionally required the SCC to coordinate with the Washington State Department of Agriculture (WSDA) and local conservation districts to conduct outreach to farmers and ranchers in order 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.

The SCC has established these programmatic guidelines to provide guidance on how available financial assistance to farmers and ranchers following any subsequent natural disasters statewide, will be spent. These guidelines also ensure that farmers and ranchers are made aware of federal disaster assistance programs and how to access them.

Under the terms of the Program, SCC will provide grants to an eligible farmer or rancher for a specific value determined by SCC (maximum assistance will not exceed \$50,000 per farmer or rancher per fiscal year). Funding in excess of \$50,000 may be requested and will be considered for funding on a case-by-case basis.

These guidelines for FY23 may be amended pursuant to feedback from interested stakeholders, additional legislative direction or developing circumstances as the Program is implemented.

2. ESSB 5693 Appropriation Language

\$300,000 of the general fund—state appropriation for fiscal year 2022 and \$300,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for implementation of Substitute House Bill No. 2051 (agricultural disaster assist).

3. Definitions

- "Farmer" means 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 46.04.183.¹
- "Farming" means 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.²
- "Rancher" means a person who owns a ranch and who raises livestock as an occupation.
- "Livestock" includes, but is not limited to, horses, mules, cattle, sheep, swine, and goats.³
- "Major flooding event that occurred in Whatcom County during November 2021" means the events and locations related to the January 5, 2022 presidentially declared disaster

¹ RCW 46.04.182.

² RCW 46.04.183.

³ RCW 16.57.010(9).

[“Washington Flooding and Mudslides, DR-4635-WA](#) (and all its amendments),” in Washington state, for the incident period of November 5, 2021 – December 2, 2021, and including amendments made in [DR-4635-WA Amendment #2](#).

4. Eligible Grant Recipients

Farmers and ranchers are eligible to receive grants.

To be eligible, a farmer or rancher must

1. Have sustained physical damage or incurred cost due to the major flooding event that occurred in Whatcom County during November 2021, or
2. Have sustained physical damage or incurred cost due to a disaster occurring in FY 2023 for which by the SCC designates these funds available. and
3. Provide documentation of a reduction in agricultural income or activity as a result of a natural disaster such as a flood, earthquake, or wildfire.

Additional requirements:

- A. Complete applications must be submitted no later than 4:00 pm on May 31, 2023. .Note however that funding will be awarded on a rolling basis and may be expended well before this date. Incomplete applications will not be funded.
- B. Applications from farmers and ranchers in Whatcom County who suffered losses due to the major rain and flood events in November and December 2021 will be prioritized, with potential availability for losses or expenses related to other disaster events should they occur in FY 2023.
- C. A farmer or rancher may only submit documentation for physical damage or incurred expenses not covered, in whole or in part, by insurance or other governmental sources.
- D. Farmers or ranchers must show that the physical damage or economic loss is to their farm or ranching operation.
- E. Grants can only be used to reimburse expenses incurred in whole or in part due to the disaster.
- F. If an entity/business/operation/ranch/farm is owned by more than one person, only one application may be submitted.
- G. An entity/business/operation/ranch/farm is eligible for only one single award every 24 months, regardless of the number of owners.
- H. 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 claiming for same expenses.
- I. Grants are available to reimburse up to 75% of actual damage or cost incurred.
- J. 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).
- K. All expenses must be paid by the farmer or rancher before a reimbursement will be provided.
- L. Verification of the damage caused by the disaster is required prior to SCC disbursing funds. Please include any pictures, certifications, or other documentation of the damage or cost.
- M. Applications must be complete and have all required documentation to be considered. The 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.
- N. The SCC reserves the right to deny applications if the farmer or rancher is unable to provide required documentation within the deadline provided by the SCC when requesting the information. All determinations regarding eligibility of expenses and funding amounts are final.

5. Use of Grant Funds

Grant funds may be used for approved cost share projects recovering from the disaster or to reimburse for expenses incurred as a result of the disaster. Potentially reimbursable expense include payroll, utilities, rent, marketing and advertising, 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, livestock, and equipment, and other operations and business expenses of a farm or ranch.

SCC grant funds shall be administered according to SCC grants policies and procedures.

6. Program Rules

- Payment can only be made on a reimbursement basis.
- Maximum grant reimbursement per farmer or rancher per fiscal year is \$50,000 per SCC 13-25 Category 3 Policy, May 16, 2013. Funding in excess of \$50,000 may be requested and will be considered for funding on a case-by-case basis.
- The maximum grant reimbursement is 75% of total expenses incurred.
- Funds may be awarded for
 - reimbursement of expenses previously incurred related to the Whatcom flood event, or
 - for new projects addressing impacts documented to be caused by the flood events in Whatcom County during November and December 2021, or
 - Reimbursement of expenses previously incurred for a natural disaster as designed by the SCC.

7. Timeline and Applications for Consideration

Applications shall be submitted in a form and manner prescribed by the SCC. The SCC may contract with a conservation district (CD) to assist in the collection of applications. Applications received in FY 2022 but not yet funded will be considered for funding in FY 2023 under these guidelines.

Additional applications will be considered and awarded on a rolling basis until funding is exhausted. Once received, applications will be reviewed by an advisory committee made up of one member each from the Washington State Department of Agriculture, a CD Board member or designee, the SCC, and an Agricultural industry representative. The review committee exists:

- To provide technical insight and awareness of local conditions
- To ensure consistency with funding procedures and funding intent
- To provide for case by case consideration of projects that are unique cases
- To make funding recommendations to SCC Director or their designee

The review committee will meet as often as needed to review applications. The advisory committee will measure the gravity of the applications to ensure the most equitable distribution of grants to small, medium and large applications.

The CD 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 the 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 the SCC, the farmer or rancher will be formally notified of the award.