

**Testimony of
The Honorable Charles F. Conner
Deputy Secretary of Agriculture**

**Before the
Senate Committee on Agriculture, Nutrition and Forestry
and the
Ad Hoc Subcommittee on Disaster Recovery
Senate Committee on Homeland Security and Government Affairs
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Chairman Harkin, Chairwoman Landrieu, and Members of the Committees, thank you for inviting me to appear before you today to share with you the Department of Agriculture's (USDA) role in disaster response and recovery in the wake of the 2008 Midwest Floods and Hurricanes Gustav and Ike.

When disasters strike, USDA's people and programs are there to help victims prepare, recover and begin to rebuild their lives. We work closely with the Department of Homeland Security (DHS), through the Emergency Support Function structure to provide emergency food and water supplies, help displaced families find housing and assist with debris removal and cleanup. Our people also serve on emergency management teams, provide state and local government agencies with critical supplies and equipment and keep consumers and the media advised of critical food safety issues.

In all of our efforts, we strive to cut through red tape and get immediate help to those whose lives have been disrupted.

USDA delivers its services locally throughout the country and most of our employees live in the communities where they work. As a result, thousands of our people found themselves in the path of Gustav and Ike as well as the floods that hit the Midwest in June. Despite being put out of their homes or going without electricity and other basic services—they have shown a remarkable dedication to their jobs and the missions of their agencies and have made extraordinary efforts to serve their neighbors and fellow citizens in difficult times. I am proud of their work and grateful for their service and sacrifice.

In June, Secretary Schafer joined President Bush in Iowa to see the aftermath of the Midwest floods firsthand and I also had an opportunity to visit my home state of Indiana to see conditions there.

What I saw were people and communities determined to bounce back from the worst flooding situation we have seen in the Midwest since 1993. Farmers moved quickly to salvage or replant damaged crops. Their quick actions combined with strong disaster recovery efforts by federal, state and local governments helped make the overall damage to this year's corn and soybean crops less severe than initially expected.

A few months have passed since the Midwest floods, we now have a fairly clear view of the damage they left behind and I will be happy to share that with you today. The impact of Hurricanes Gustav and Ike is still being assessed. And while we have some preliminary data, a full picture of their impact will have to wait till a later date.

With that limitation in mind, today, I would like to give you an overview of our preparation, response and recovery activities for the Midwest floods and Hurricanes Gustav and Ike.

Midwest Floods

First, in response to the Midwest floods, USDA worked closely with federal, state, and local partners to streamline assistance. Employees from all across USDA provided services and support to those impacted by the floods.

One of the most basic human necessities is food and our Food and Nutrition Service (FNS) works to ensure that individuals and families affected by disasters can meet this basic need. Through the Disaster Food Stamp Program, people who may not ordinarily qualify for food stamps may be eligible if they have had disaster damage to their homes or they have expenses related to protecting their homes, have lost income as a result of the disaster, or have no access to bank accounts or other resources. Those receiving regular food stamp benefits received supplemental payments to their regular benefit allotments as part of the Disaster Food Stamp Program.

Along with the Disaster Food Stamp Program, FNS's food distribution programs make food aid available to all individuals in the immediate aftermath of a disaster, regardless of their financial situation, if they cannot access or prepare food on their own.

To date, nearly \$192 million in Disaster Food Stamp Program benefits and supplements have been provided to nearly 40,000 new and 19,500 ongoing households in Illinois, Indiana, Iowa, Nebraska and Wisconsin.

Keeping food safe during an emergency is another essential mission. During the Midwest floods, USDA's Food Safety and Inspection Service (FSIS) issued alerts to the media to provide guidelines on how to keep food safe and minimize the potential for food borne illnesses due to power outages and other problems that are often associated with severe weather events. FSIS also continually updated featured items on its website home page to make information easily accessible for consumers and the news media 24-hours a day.

First Responders

Careful preparation and quick response are both vital components of a successful response to any disaster. DHS' Federal Emergency Management Agency (FEMA) leads the overall federal response to disasters, but USDA and other federal agencies play key supporting roles.

With the Midwest floods, several USDA agencies—the U.S. Forest Service, the Natural Resources Conservation Service (NRCS), the Animal and Plant Health Inspection Service (APHIS), and FNS deployed personnel immediately to assist FEMA’s response activities.

Forest Service and NRCS emergency response personnel lent their technical expertise in emergency management. APHIS was actively involved in efforts to rescue live swine from flooded fields along the Iowa and Mississippi Rivers and recover and dispose of livestock carcasses. APHIS’s veterinary staff also provided support to pet shelters in Iowa to ensure the health and welfare of the animals were not jeopardized during this disaster. In Iowa alone, more than 1,000 pets were sheltered.

Recovery

Recovering from a widespread disaster like the Midwest floods takes time and resources. A significant amount of the support USDA provides is in the recovery phase of disasters.

One of the most important recovery tools is the Emergency Watershed Protection (EWP) program administrated by NRCS. The EWP program helps project sponsors and individuals implement emergency recovery measures to relieve imminent hazards to life and property created by a natural disaster that causes a sudden impairment of a watershed. The EWP Program provides recovery assistance to repair and restore eligible sites, reduce threats to life or property from watershed impairment, including sediment and debris removal; it also provides protection from additional flooding or soil erosion by retarding runoff and removes debris deposited by natural disasters that would affect runoff or erosion.

EWP recovery assistance is made available at a 75/25% cost-share ratio to project sponsors, which is made up of any legal subdivision of a State government or a State agency including the following: cities, counties or parishes, towns, municipal authorities, townships, soil and water conservation districts, and when chartered under state laws—levee districts, irrigation districts, drainage districts and any native American tribe or tribal organization.

Based on our damage survey reports to date, NRCS has committed \$99 million in EWP funds to Illinois, Indiana, Iowa, Wisconsin, Nebraska, Kansas, Missouri and Minnesota. Agreements to disburse \$4.9 million in funds have already been signed.

Producers in the affected area are also using the Environmental Quality Incentives Program (EQIP) for financial and technical assistance to restore conservation practices that were installed using this program. USDA has made available \$10.2 million of EQIP funds this fiscal year to the six Midwest states most adversely affected by flooding. Approximately \$42.8 million in EQIP funds were provided after the flooding for new contracts in these six states to address conservation needs.

Most of the relief assistance the Farm Service Agency (FSA) has delivered to date has come through Farm Loan Programs, the Emergency Conservation Program (ECP) and the Conservation Reserve Program (CRP).

Disasters amplify the financial stress in the farm sector and this is an area where FSA can help. FSA emergency (EM) loans are available to producers in a declared disaster area who have suffered a physical loss or at least a 30 percent production loss. They must meet program eligibility requirements, including an inability to get credit from other lenders, and must be considered a family farm. In situations where an EM loan is inadequate to meet the total financial needs, FSA may be able to provide additional credit through the direct operating loan program or guaranteed loans.

The FSA guaranteed loan program can also provide a credit safety net for some producers. It helps commercial lenders continue with borrowers whose financial condition has deteriorated to the point that the lender would otherwise be forced to adversely classify the account and stop advancing funds, or demand immediate repayment. The guarantee offsets some of the lenders' risk, allowing them to continue providing credit to eligible producers. This will be even more important now, since recent turmoil in financial and commodity markets has forced many rural lenders to tighten their credit standards.

The ECP program provides emergency funding and technical assistance for farmers and ranchers to rehabilitate farmland damaged by natural disasters. We have provided a total of \$43 million in ECP funds to eight Midwest states to repair flood damage. The money will go for debris removal, grading and shaping the land, and restoring fences and conservation structures.

The CRP program has also played a role in recovery. It has been used to provide several forms of assistance to producers in the wake of the Midwest floods. Since the heavy rainfall put manure lagoons in danger of breaching and most cropland was already planted, FSA authorized counties in Iowa to apply manure on acreage enrolled in CRP. This allowed lagoons to be pumped to prevent environmental damage from manure overflows. FSA also permitted farmers in 28 Iowa counties to relocate their livestock from flooded land to CRP land without penalty and without a reduction in payments for 30 days.

Additionally, CRP acres were released in 28 States and 833 counties for emergency haying and grazing because of flooding. This was done to provide emergency relief to livestock producers. CRP land is vital to the balance we promote at USDA between production and preservation. However, the flood waters inundated thousands of acres that could not be salvaged for production this growing season and at a time of record crop, food and fuel prices—a measure of relief was clearly needed.

It should be noted however, that in addition to these relief efforts, any 2008 crop and livestock losses that occurred as a result of these weather events will also be eligible for assistance under the standing disaster provisions of the Food, Conservation, and Energy Act of 2008.

The Supplemental Revenue Assistance Program will provide assistance for crop losses on a whole farm revenue basis. The Livestock Indemnity Program will provide payments equal to 75% of the market value for livestock that died due to adverse weather. The Tree Assistance Program will provide assistance to replant or rehabilitate damaged groves, orchards or vineyards. The Emergency Livestock Assistance Program will provide assistance for a variety of losses suffered by producers of livestock, farm raised fish and honey bees.

Before these provisions can be put into effect, regulations must be promulgated and software must be developed. FSA is diligently engaged in the process right now, along with working on implementing programs addressed in Title I of the Food, Conservation, and Energy Act of 2008.

To further assist those impacted by the floods, USDA's Risk Management Agency (RMA) extended the deadline to August 15 for acreage reporting on all 2008 spring-seeded acreage for all counties in Iowa, Illinois, Indiana, Kansas, Minnesota, Missouri, Nebraska, Ohio, South Dakota, and Wisconsin. RMA also approved emergency loss adjustment procedures for affected areas. Crop insurance companies reacted by sending additional loss adjusters into the flooded areas to help expedite the processing of crop insurance claims.

As a community and economic development agency, USDA's Rural Development (RD) is often involved in reconstruction and rehabilitation efforts following natural disasters. RD has offered debt service deferrals to borrowers in the declared disaster areas of the Midwest floods and mortgage payment deferrals to several thousand single-family home loan borrowers that can be extended up to two years. RD is also making grant and loan funds available to rural communities to provide housing and shelter, public safety, health care and community facilities and business recovery assistance.

To assist rural communities in rebuilding businesses and restoring jobs, RD funded 33 grants totaling \$5.2 million to victims of the flooding, during Fiscal Year 2008. These grants covered disaster recovery needs for the first nine months of the fiscal year. RD also funded 307 Guaranteed Loans, Direct Loans, and Grants totaling more than \$78 million for essential community facilities in counties affected by the floods during Fiscal Year 2008. Because RD is engaged in long-term economic and community development, the obligations to date are just the beginning. RD will be involved for years to come in assisting affected communities.

Hurricanes Gustav and Ike

Preparedness & Response

One of the key lessons learned from our experience with Hurricanes Katrina and Rita three years ago was the importance of pre-positioning people and equipment once the likely path of a hurricane is known.

That lesson was applied to our response to Hurricanes Gustav and Ike. USDA has been actively involved with the Federal emergency response efforts for both hurricanes. Many USDA agencies deployed people and equipment to assist federal, state and local authorities.

The Forest Service, with its well-developed expertise in handling the emergency situations involved in fighting wildfires, played a leading role in meeting the challenges of this year's hurricane season.

More than 600 Forest Service personnel were assigned for emergency response to this season's hurricanes and tropical storms. That included five Incident Management Teams and additional personnel to support FEMA's National Response Coordination Center, Regional Response Coordination Center, and Joint Field Office operations and command. Additionally, planning personnel provided instruction and mentoring of cooperative State and local agencies in the National Incident Management System and Incident Command System in order to build their local capacity to address future events.

It also included five 20-person saw crews that were deployed for emergency debris removal and road clearing. Those crews have worked around the clock to clear vital roadways so emergency responders can reach the worst hit victims of Hurricane Ike and displaced residents can return to their homes. A Forest Service crew cleared the only road open on Galveston Island to Galveston Medical Center, making health care services accessible to victims of the hurricane.

The Forest Service has also provided critical assistance to the U.S. Army Corps of Engineers, drawing on experience gained from similar events, to expedite checking in and checking out hundreds of trucks needed for delivery of relief supplies. Communities desperate for food and water got it sooner because of the Forest Service's skill at moving resources efficiently. The Southern Region of the Forest Service also opened overnight camping facilities for hurricane evacuees and their families, as well as rescue workers, and all fees were temporarily waived.

Throughout both hurricane events, FNS has provided pre-and post- landfall on-site assistance to Louisiana and Texas. When Hurricane Ike hit, staff from the Southeast Regional Office were deployed to shore up the site support in the area.

As a result of Hurricanes Gustav and Ike making affecting Louisiana, FNS has approved requests to allow the State to operate a Disaster Food Stamp Program in 43 parishes. As of September 20, Louisiana issued approximately \$171 million in Disaster Food Stamp Program benefits and supplements to nearly 435,000 new and over 21,400 ongoing households as a result of Hurricane Gustav. Nearly \$153 million of the \$171 million was issued to new households. We hope to have information related to the Disaster Food Stamp Program benefits associated with Hurricane Ike in the near future.

FNS, like all of USDA, continues to work to provide whatever support is needed in this time of crisis. FNS approved Louisiana's request to allow the Disaster Program to provide all Food Stamp households in disaster parishes a one-time mass increase equal to

20 percent of the benefits they received in August so they could replace food lost in the storm. In addition, benefits for all households have been increased to the maximum allowable because it is expected these households will have less, if any, of the earned income they expected prior to the storm. Also, administrative relief was provided by temporarily easing or delaying reporting requirements to address increased program demand.

FNS has recently approved Louisiana's request to alter the Disaster Food Stamp Program certification process by accepting applications via telephone, then completing the interview, obtaining a client signature on the application, collecting verification, and issuing benefits at a Disaster Food Stamp Program site of a local Department of Social Services office. This expedited the application process for applicants, allowing them to initiate their application from home and appear at a Disaster Food Stamp Program site only when their benefit card is ready to complete the application process.

FNS has approved Texas waiver requests for the Food Stamp Program to issue emergency food stamp benefits by allowing anyone living in or evacuated from disaster counties to receive expedited service in order to speed food assistance to those not already certified for benefits, but newly eligible due to Hurricane Ike. In addition, waivers were issued to allow for the purchase of hot foods with Food Stamp Program benefits at authorized grocery retailers statewide. FNS authorized the Texas Disaster Program to provide all Food Stamp households in the 31 counties affected by power outages a one-time mass increase equal to 70 percent of the benefits they received in September so they could replace food lost in the storm. Clients in other counties will be granted additional time to request benefits. FNS has advised Texas that the agency would approve the same telephone-based application intake system as approved for Louisiana.

FNS, in coordination with the FSA and the Agricultural Marketing Service (AMS), has also responded to state requests for food commodities. To date, for Hurricane disaster assistance, USDA has provided 892 cases of baby food and 13,950 cases of infant formula to Texas valued at over \$717,000; and another 184 cases of infant formula and 342 cases of baby food to Louisiana valued at \$25,000.

FNS has also responded to all State Agency requests for commodity food to support congregate feeding in shelters and mobile kitchens in both Texas and Louisiana.

APHIS veterinary medical officers worked diligently to coordinate pet evacuation and sheltering for both Hurricanes Gustav and Ike. When Hurricane Gustav moved toward New Orleans, 1,100 pets were sheltered in Shreveport, Louisiana, and about the same number were sheltered in Texas. APHIS provided a fleet of 92 vehicles that were used for pet evacuations and the eventual reunions of pets with owners.

Drawing on the \$390 million Congress provided for the EWP Program in the June 2008 supplemental, NRCS was able to make funding available to its state offices in advance of Hurricanes Gustav and Ike's landfalls. A total of \$1.1 million was provided to its offices in Texas and Louisiana to deal promptly with exigencies that might result from the hurricanes.

Also, NRCS will provide 100 percent cost-share for exigent efforts consistent with FEMA's 14 day timeframe. Our authorities are in watersheds and waterways and NRCS will assist in clearing debris from watersheds that may be contributing to flooding, sedimentation and erosion and impeding access to other areas of the watershed.

In preparation for Hurricane Gustav's landfall in the Gulf Region, USDA's National Finance Center (NFC) deployed approximately 500 employees to continue payroll operations. To ensure that employees facing extraordinary circumstances received assistance and that all employees were kept abreast of the deployment situation, policies, and/or procedures, we established alternative methods of communication for our employees. They included supervisory telephone and email contact information, a 1-800 number and website for status information, and a 1-800 number for reporting employee situational information.

USDA also established a specific point of contact for employees who incurred personal issues because of the storm. This contact provided coordination with FEMA representatives who supported their interim housing needs and with the Army Corps of Engineers who supplied contractors to apply temporary roof coverage for roofs that were compromised. USDA also provided logistical support to employees when airports were closed, when they found themselves in areas without gasoline, or where their guaranteed lodging was no longer available. USDA applied lessons learned from the 2005 hurricane season and successfully continued operations and maintained contact with employees in the impacted areas.

Recovery

USDA is continuing to work with interagency (state and federal) partners throughout the region affected by the storms to ensure coordinated emergency response, restore services and repair facilities damaged by Hurricanes Gustav and Ike

Several USDA agencies have already made important contributions. The Grain Inspection, Packers and Stockyards Administration (GIPSA) showed tremendous determination and resourcefulness in providing official inspection and weighing services at export port locations in the Gulf. GIPSA stood ready to serve our customers as soon as they were able to resume export operations.

Within three days of Hurricane Gustav landfall, personnel from GIPSA's New Orleans Field Office were on the front line, providing service at export elevators as they resumed operations. In the wake of Hurricane Ike's landfall in Texas, GIPSA's League City Field Office was without power. The staff set up operations at the manager's home the day after Ike hit, and personnel were on immediate standby to provide service as elevators' power and operations were restored. Inspection and weighing services in Corpus Christi were back online within two days of Ike's landfall.

FSIS has worked diligently to keep the public informed on how to keep food safe during power outages through public service announcements. Information providing consumers

with food safety steps to take before and after a power outage was issued in English and Spanish to media outlets and made available on USDA's website. Beginning in September, information on food safety during power outages became available 24 hours a day with *SignFSIS* video-casts in American Sign Language featuring text-captioning that are also available on USDA's website.

FSIS has undertaken mobile outreach efforts to areas of Louisiana and Texas affected by Hurricanes Ike and Gustav to provide food safety educational materials and supplies to those most in need. These outreach activities will be targeted at priority locations for power restoration, e.g. grocery stores, superstores, shelters, and supply distribution centers. As of September 21, FSIS has distributed 4,917 food safety educational packets and has made 10,138 face-to-face contacts.

In the wake of hurricane events, NRCS staff is assessing the demand and requirement for the disposal of animal carcasses. While NRCS does not have a direct legislative mandate and funding on hand for this purpose, it looks to FEMA for a delegation of authority and mission. In Texas, FEMA has provided a mission assignment to NRCS for domestic livestock carcass retrieval, transport, and burial and \$1,000,000 has been allotted to the agency.

RD is actively involved in reconstruction and rehabilitation efforts following these hurricanes. In addition to providing housing, it financed the purchases of about two dozen mobile generators that have been provided to Louisiana and Texas to help with widespread power outages. As damage assessments are completed, RD will provide long-term assistance to the rebuilding effort in affected communities.

FSA stands ready to help with emergency loans and cost-share assistance that will be available to producers in a declared disaster area. It is also processing signups for the ECP program subject to available funding.

As was the case with the Midwest floods, producers with crops and/or livestock threatened by disaster conditions will be eligible for assistance under the standing disaster provisions of the Food, Conservation, and Energy Act of 2008. However, regulations must be promulgated and software developed before payments can be made.

To be eligible for the standing disaster program, producers must have crop insurance or Noninsurance Crop Disaster Assistance Program (NAP) coverage. The deadline for producers without crop insurance or NAP to utilize the "buy-in" for 2008 was September 16th. We have issued a 10 business day extension to FSA County Offices that had to close due to the hurricanes. Other requests for relief will be dealt with separately.

RMA has distributed information to insured producers to remind them of the mandatory procedures they must observe following a hurricane so as to not jeopardize their insurance claims. At this point, crop losses are still being determined. RMA is evaluating the approval of emergency loss adjustment procedures and working closely with approved insurance providers.

Conclusion

USDA provides essential services, such as food and shelter, to help those hit hardest by disasters. We are at the front lines of the response/recovery mission trying to bring hope to those that have suffered so much. We take pride in this mission, striving to improve in our delivery of these services as we plan and prepare to respond to the next natural disaster.

One of the key lessons learned from Hurricanes Katrina and Rita was that we needed to do more to help those with companion animals. Many individuals would not leave their “family member” (dog, cat, bird, etc.) behind and therefore stayed and put themselves and their pet in harm’s way. USDA, working with DHS and other private sector partners, focused extensively on the companion animal issue and has put resources and personnel towards working to establish pet shelters and other services so that those individuals facing disaster do not have to make an unbearable choice of leaving their “family member” behind.

USDA has faced severe challenges with this year’s disastrous flooding and devastating hurricanes, but we have applied lessons learned from the experiences of 2005 to improve our response. We have done more advanced planning and pre-positioning of people and equipment and have made full use of available expertise while adjusting rapidly to conditions on the ground. Our employees have risen to the challenge by working diligently with our federal, state, and local partners to help restore disrupted lives and rebuild damaged communities. They have gone the extra mile to make themselves fully available to their partners, constituents and the general public. I am very proud of the work USDA employees have done and continue to do on a daily basis. USDA is committed to serving our constituents and communities to the best of our ability. We will continue to face challenges, learn from our experiences, and strive to provide the best service possible.

Thank you again for the opportunity to appear before you today. I will be happy to answer any questions.