



Update on Farm Recovery & Support Block Grant Negotiations and Program Direction

June 6, 2025

As part of the ongoing negotiations surrounding the implementation of disaster relief funding authorized under the American Relief Act of 2025 (Public Law No. 118-158), the Connecticut Department of Agriculture (CT DoAg) has reached a key decision in response to proposals from the U.S. Department of Agriculture (USDA) concerning the administration of crop loss assistance for small and mid-sized farmers in Connecticut.

Recent Developments

Last week, USDA presented two options for eligible states to determine how disaster relief funds would be administered:

- **Option 1:** States may create and administer their own crop loss program under a block grant. However, producers in those states will be excluded from participating in USDA's national Supplemental Disaster Relief Program (SDRP).
- **Option 2:** States must limit the scope of the block grant to limited USDA permitted non-crop losses (e.g., timber, infrastructure, market losses), while USDA's Farm Service Agency (FSA) administers the SDRP to eligible producers.

Both options were presented with an initial deadline of June 4, 2025, by close of business, leaving limited time for states to receive full program details or seek necessary clarifications.

Connecticut's Decision

After careful consideration and deliberation, the Connecticut Department of Agriculture has **selected Option 1**, choosing to **develop and administer a state-specific crop loss program**. CT DoAg will design and oversee the program, including methodology, eligibility criteria, verification, and outreach tailored specifically to Connecticut producers. Our program will need to be reviewed and approved by USDA, and we will work with them on that effort to move this forward as quickly as possible.

This decision reflects our commitment to:

- Provide a more flexible, inclusive, and farmer-centered recovery approach.
- Better meet the needs of **small and medium-sized producers** who may not meet SDRP's national requirements, such as the 30% loss threshold or minimum two years of USDA risk management program participation.
- Allow for customized support and greater responsiveness, particularly for specialty crop and diversified farm operations that are historically underserved by federal disaster relief mechanisms.

While we respectfully disagree with USDA's interpretation that states must choose exclusively between the two options, we have proceeded with Option 1 to avoid leaving producers without critical recovery assistance. We also reserve the right to challenge USDA's statutory interpretation that precludes dual participation in both the SDRP and Farm Recovery and Support Block Grant and have requested clarification on this point.

Next Steps

We now await:

- USDA's final **allocation of funds** to Connecticut.
- Approval from USDA on **program design** submitted by Connecticut Department of Agriculture.
- Execution of a **grant contract** to formalize the agreement and begin implementation.

Once these elements are finalized, we will move quickly to launch the application process and distribute assistance to impacted producers across the state.

Background

The Farm Recovery and Support Block Grant was created as part of the American Relief Act of 2025 to address weather-related losses in 2023 and 2024. Congress allocated \$220 million to New England states, Alaska, and Hawaii to support farmers—particularly those growing specialty crops or operating diversified, uninsured, or underinsured farms.

The grant funding was intended to complement traditional disaster relief programs and ensure that farmers who are often overlooked by national programs could access recovery assistance aligned with their needs. These funds are intended to provide assistance for necessary expenses related to crop, timber, and livestock losses, including on-farm

infrastructure, resulting from weather events in 2023 or 2024 that a State, in its sole discretion, determines warrants such relief.

Stay Informed

We understand that producers and stakeholders will likely have many questions. We will continue to provide updates as new information becomes available. For additional resources, visit portal.ct.gov/disaster or contact us directly at **AGR.disaster@ct.gov**.

We appreciate your patience and partnership as we work to ensure fair and effective disaster relief for all Connecticut farmers.