

H. 4717 - S.C. Farm Aid Bill Summary:

The General Assembly finds that:

- (1) The historic flood of October 2015 caused unprecedented damage to the State and its people, with particular devastating statewide impacts on South Carolina farmers and the state's agriculture industry.
- (2) The State has over twenty-five thousand farms across nearly five million acres, which generate billions of dollars annually and represents a vital component to a healthy state economy.
- (3) The total loss of crops as a result of the flooding is estimated at nearly four hundred million dollars and the estimated federal crop insurance payments will only cover about one-third of the total crop loss.
- (4) The federal crop insurance program established in 2014 is an inadequate method of indemnification as compared to traditional forms of insurance and is not sufficient to aid farmers with substantial losses due to catastrophic events of nature.
- (5) The State of South Carolina has a significant public interest to prevent the economic collapse of many of the state's farms which could cause a severe disruption in the state's economy and food supply chain.

H. 4717 sets up a grant program for farmers with significant losses due to a natural disaster and in the future will be subject to appropriations provided to it by the General Assembly.

Eligibility:

- Farmers with a loss of at least 40% total agricultural commodity loss due to 2015 flood.
- Located in a county declared as a Secretarial Disaster by the US Secretary of Agriculture.
 - 45 of 46 counties eligible (Jasper County).
- Farm must be verified by the federal Farm Service Agency.
- Farmer must sign an affidavit under penalty of perjury stating the loss is accurate and truthful and also requires payback if proven false.

Farm Board:

- Grant program will be administered by a seven-member board chaired by the Commissioner of Agriculture, with the remaining six members from the agriculture industry and appointed by the General Assembly.
- Board will adopt the application process details and approve all grants.

Verification:

- To determine loss and grant amount, the board may require documentation or proof it deems necessary to administer the program.
- To determine loss for an insured agricultural commodity, the board must use the person's production history yield determined by the Federal Crop Insurance Corporation.
- To determine loss for an uninsured agricultural commodity the board must use the most recent year's County and Price Yield determined by USDA's National Agriculture Statistics Service.

Grant Specifics:

- Grants awarded will be equal to 20% of the total loss, with a maximum grant of \$100,000.
- Grant payout combined with crop insurance or other payout cannot exceed 100% of loss.