



DISASTER ASSISTANCE

EGSFP - Emergency Grain Storage Facility Assistance Program

Overview

The Emergency Grain Storage Facility Assistance Program (EGSFP) provides financial assistance to producers affected in Kentucky, Minnesota, South Dakota, Illinois, Iowa, Missouri, North Dakota, and Tennessee to support grain storage capacity and drying and handling needs for the orderly marketing of commodities following the destruction of large commercial grain elevators as a result of extreme weather (tornadoes, derechos, etc.).

This cost-share assistance support efforts to pay grain producers for losses due to limited marketing and storage opportunities because of destructions caused by eligible disaster events.

What Is Eligible?

Eligible Losses

EGSFP helps producers to market and build new or used, permanent or temporary on-farm grain storage capacity, restore existing storage capacity, and acquire drying and handling equipment for losses due to eligible disaster events.

Eligible disaster events include:

- Derechos;
- Floods;
- Hurricanes;
- Tornadoes;
- Winter storms.



Eligible Facilities, Equipment and Upgrades

The following types of new/used, permanent or temporary on-farm grain storage structures are eligible and must have a useful life of at least 3 years:

- conventional-type cribs or bins designed and engineered for grain storage;
- open buildings with two end walls;
- converted storage structures;
- asphalt, concrete or gravel floors with grain piles and tarp covering;
- ag baggers (including bags).

On-farm grain storage structures may account for aeration-drainage, and may require loading or unloading augers, drying and handling equipment.

Payment Limitations

A person or legal entity, other than a joint venture or general partnership, cannot receive, directly or indirectly, more than \$125,000 in EGSFP payments.

Payment Calculation

The EGSFP payment will be calculated as follows: Producers will self-certify to the cost of the on-farm grain storage capacity or drying and handling equipment. The self-certified cost will be multiplied by the producer's share of the grain crop that will be stored in the built or purchased storage structure. This is the EGSFP payment, which will be multiplied by the cost share factor of 75% or (see section of this fact sheet on eligibility for the 90% cost-share rate for underserved producers). FSA will determine if the self-certified cost for the on-farm grain storage capacity or drying and handling equipment is reasonable based on general construction, labor, and supply rates for the respective areas.

Payment Disbursement

Due to the high volume of program applications received, FSA has increased the initial funding amount for EGSFP from \$20 million to \$80 million in cost-share assistance.

Approved EGSFP applicants who meet the requirements for payment will receive cost-share assistance for the construction of new or renovated grain storage capacity and equipment required to meet drying and handling needs to support the orderly marketing of commodities in counties affected by these disaster events. FSA will not be able to approve and fund all eligible applications that have already been received by FSA even with the increase in funding. Therefore, the original application deadline has been modified to Aug. 7, 2023.

At the election of the producer, one partial payment and one final payment will be available. The partial payment will be made to facilitate the purchase and construction of the eligible on-farm grain storage capacity and drying and handling equipment and will be made after the approved applicant has completed a commensurate share, up to 50%, of the construction or purchase of the eligible on-farm grain storage materials and drying and handling equipment.

The final payment will be made after the eligible on-farm storage capacity and drying and handling equipment has been fully delivered, erected, constructed, assembled, or installed. An FSA employee may inspect and verify the amount of construction completed before a partial and final payment is disbursed.



Socially Disadvantaged, Limited Resource, Beginning, or Veteran Farmer or Ranchers

An eligible producer who certifies they are socially disadvantaged, limited resource, beginning and veteran farmer or rancher will receive 90 percent of the payment rate for the losses under EGSFP. Failure of applicant to submit form CCC-860 will result in an applicant's payment being calculated using the lower payment rate that applies to all other applicants. An applicant who has filed CCC-860 certifying their status as a socially disadvantaged, beginning, or veteran farmer or rancher for a prior program year is not required to submit a subsequent certification of their status.

Assistance for Producers Not Funded Through EGSFP

Producers in the geographic impact area who applied for EGSFP and do not receive funding through EGSFP will be contacted by FSA.

In the meantime, for producers who may be interested, FSA's Farm Storage Facility Loan Program (FSFL) can immediately provide low-interest financing for eligible producers who may not qualify for EGSFP but need on-farm storage capacity. FSA is also currently reviewing FSFL policies to determine whether certain flexibilities can be made, or waivers granted, to further reduce FSFL financial obligations for producers in need of immediate grain storage. FSA will announce planned additional assistance in the coming weeks.

More Information

This fact sheet is provided for informational purposes only; other restrictions or requirements may apply. For more information about EGSFP, visit FSA.USDA.gov/EGSFP or contact your local FSA office for details. To find your local FSA office, visit farmers.gov.