



DISASTER ASSISTANCE

USDA and SBA Could Do More to Help Aquaculture and Nursery Producers

Highlights of [GAO-12-844](#), a report to the Chair, Committee on Small Business and Entrepreneurship, U.S. Senate

Why GAO Did This Study

Farmers and other agricultural producers are exposed to natural disasters, such as droughts, floods, hurricanes, and tornadoes. In the aftermath of such events, FSA and SBA disaster assistance programs can provide an important safety net for these producers. However, after past natural disasters, industry groups and others have raised concerns that some small agricultural producers—particularly aquaculture (such as farmed fish and shellfish) and nursery (such as trees and plants) producers—reported being ineligible to obtain this assistance.

GAO was asked to (1) examine FSA and SBA disaster assistance programs and the coverage they provide to small producers; (2) identify the main factors, if any, that may limit small aquaculture and nursery producers' participation in these disaster assistance programs; and (3) examine FSA and SBA efforts to collaborate in providing such assistance to these producers. GAO reviewed the 10 FSA and SBA disaster assistance programs that become available following a natural disaster and that provide direct financial assistance or loans to these producers, interviewed agency officials and industry representatives, and reviewed agency documents and regulations.

What GAO Recommends

GAO recommends that USDA and SBA target outreach to small aquaculture and nursery producers, for example, by building on existing outreach, and develop a strategy to formally collaborate on disaster assistance for such producers. USDA and SBA generally concurred with GAO's recommendations.

View [GAO-12-844](#). For more information, contact Lisa Shames at (202) 512-3841 or shamesl@gao.gov and William B. Shear at (202) 512-8678 or shearw@gao.gov.

What GAO Found

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) and the Small Business Administration (SBA) have 10 disaster assistance programs that small agricultural producers and businesses that support agriculture can use to recover from natural disasters. These programs serve largely different populations but leave few gaps in the disaster assistance available to most small agricultural producers. Aquaculture and nursery producers could be eligible for six of these programs, but their participation is limited by awareness and eligibility issues (see table).

FSA and SBA Disaster Assistance Programs and Types of Losses Covered

Program	Crops	Livestock	Land	Other
FSA Supplemental Revenue Assistance Payments Program ^a	X			
FSA Tree Assistance Program ^a	X ^b			
FSA Livestock Indemnity Program		X		
FSA Livestock Forage Disaster Program		X ^c		
FSA Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish Program ^a	X ^d	X		
FSA Emergency Conservation Program ^a			X	
FSA Emergency Forest Restoration Program			X	
FSA Emergency Loan Program ^a				X
SBA Economic Injury Disaster Loan Program ^a				X
SBA Business Physical Disaster Loan Program				X

Sources: GAO review of federal disaster assistance program information provided by FSA and SBA.

^aThese programs are available to small aquaculture or nursery producers.

^bFSA's Tree Assistance Program does not cover crop production losses but provides partial cost reimbursement to replant or rehabilitate trees, bushes, and vines.

^cThis refers to the loss of grazing land for livestock.

^dFor the purposes of this table, GAO defines crops to include honeybees and farm-raised fish.

GAO identified three factors that may limit small aquaculture and nursery producers' participation in the 6 disaster assistance programs for which they could be eligible. In particular, the producers are often not aware of the programs, have other options for assistance, or do not qualify because they do not meet certain program requirements. Both FSA and SBA conduct outreach related to their disaster assistance programs, but neither agency has specifically targeted its efforts toward small aquaculture and nursery producers. As a result, eligible producers are missing opportunities to obtain assistance that could help them maintain a viable business after experiencing a natural disaster.

FSA and SBA engaged in some informal efforts to collaborate in providing disaster assistance to small aquaculture and nursery producers. However, the efforts were limited because FSA field staff know little about SBA's disaster assistance programs, and SBA staff know little about the factors that affect whether an agricultural loan will be repaid. GAO has reported that agencies with complementary programs can enhance the value of these programs through interagency collaboration. Without more formal collaboration, small producers may not be consistently referred by one agency to the other, leading to fewer opportunities for these small producers to get assistance for which they otherwise might qualify.