H-2518.1

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**SUBSTITUTE HOUSE BILL 2051**

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**State of Washington 67th Legislature 2022 Regular Session**

**By** House Appropriations (originally sponsored by Representatives Rule, Shewmake, Ormsby, and Ramel)

AN ACT Relating to providing short-term disaster recovery financial assistance to agricultural producers; adding a new section to chapter 89.08 RCW; creating a new section; and declaring an emergency.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. **Sec.**  (1) The legislature finds that severe flooding hit Whatcom county in November of 2021, causing significant damage and immediate disruption to agricultural production including crop loss, livestock loss, and damage to facilities. The legislature finds that financial relief and recovery resources are often necessary for the survival of farms and ranches impacted by such destructive natural disasters.

(2) The legislature further finds that disaster aid is critical to farmers and ranchers who may need financing but struggle to access capital due to a lack of financial documentation, lack of collateral, credit issues, or a perception of not being bankable. Following a disaster, farmers and ranchers may deplete their savings, borrow from family or friends, take out second mortgages, or grow credit card debt to stay afloat.

(3) The legislature further finds that some disaster assistance is available through programs provided by the United States department of agriculture, but that some farmers and ranchers may not be aware of the resources available and that it can take time to secure grant funds.

(4) The legislature further finds that short-term aid, or gap funding, would help retain businesses and jobs in the agricultural industry, and will help community and food system resilience while farmers and ranchers wait for longer term financing.

(5) Therefore, the legislature intends to establish a grant program to initially provide short-term financial assistance to farmers and ranchers in the aftermath of the Whatcom county flooding that can be replicated in future natural disasters, and to ensure that farmers and ranchers are made aware of federal disaster assistance programs and how to access them.

NEW SECTION. **Sec.**  A new section is added to chapter 89.08 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the commission, in cooperation with local conservation districts, must develop and implement a short-term disaster recovery financial assistance program for farmers and ranchers. The program must initially address providing short-term funding to farmers and ranchers that sustained physical damage or economic loss due to the major flooding event that occurred in Whatcom county during November 2021.

(2) Under the program, the commission may provide grants to eligible farmers and ranchers. Grant funds may be used for payroll, utilities and rent, marketing and advertising, building improvements or repairs, replacing damaged or lost crops, livestock, and equipment, and other operations and business expenses.

(3) In order to be eligible to apply for a grant under this section, a farmer or rancher must provide documentation of a reduction in agricultural income or activity as a result of a natural disaster such as a flood, earthquake, or wildfire.

(4) The commission must coordinate with the department of agriculture and local conservation districts in conducting outreach to farmers and ranchers in order to increase awareness and understanding of the disaster recovery financial assistance program, and to ensure that farmers and ranchers are aware of other disaster relief assistance available through the state and federal government.

(5) The commission may adopt rules to implement this section.

NEW SECTION. **Sec.**  This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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