



DISTRICT 5

2008 Supplemental Disaster Program Sign-Up Deadline—September 16, 2008

What is the SURE program?

The 2008 Farm Bill created a permanent disaster program to replace the “ad hoc” disaster programs of past years. The name of this new program is Supplemental Revenue Assistance Payments or “SURE” for short. This is a revenue based program that uses a formula to compare the expected revenue to actual revenue for the entire farming operation.

What does it take to qualify for a payment?

In order to be eligible for a payment under SURE, you are **required** to purchase insurance on all crops produced each year in your farming operation. Producers in counties that have received a Secretarial Disaster Designation or that are contiguous to a county with this designation are eligible for a payment if the calculated expected revenue is less than the estimated revenue. Otherwise, it will take a 50% loss in production due to weather related conditions to be eligible.

How does it differ from previous disaster programs?

Previous “ad hoc” disaster programs made payments based on individual crop losses or insurance units. The SURE program looks at the entire farming operation. This includes any crop, in all counties and states, of which you share in the production. To be eligible you will need to have insurance on all crops in all counties and states as well. If, for 2008, you do not have insurance on all crops including; row crops, hay, pasture, fruits and vegetables, double crop beans, etc., you can pay a “buy-in” fee for these crops at your local FSA office to be eligible. If you are not at risk for a particular crop you will not be required to pay the “buy-in” fees.

What are “buy-in” fees for SURE?

For 2008, since the farm bill was signed after the deadline to purchase insurance for most crops, you are allowed to pay a “buy-in” fee on any crops that were not insured to maintain eligibility for SURE. You are not actually purchasing insurance for these crops but the fee keeps you eligible for SURE assistance. The fee is \$100 per crop not to exceed \$300 per producer per county or \$900 per producer in all counties. There is a separate limit for crops that are eligible for Non-insurable Assistance Program (NAP) coverage and those eligible for the Catastrophic (CAT) level of insurance.

What do I need to do now?

To maintain eligibility for SURE, you need to review your operation and verify that you have insurance on all crops that you have an interest in. This not only applies to traditional row crops but includes hay, pasture, fruit and vegetables,

double crop beans, etc. **For any crops that you do not have insurance coverage on 2008, you will need to visit your local FSA office no later than Tuesday, September 16th, 2008 and pay the required “buy-in” fee to be eligible for the SURE program for 2008.**

What do I need to do for future year’s SURE eligibility?

For crop year 2009, insure all crops that you have an interest in with crop insurance for traditional crops or NAP for non-insurable crops. The sales closing date to obtain or modify your crop insurance coverage for **2009 Wheat is September 30, 2008**. Check with your local FSA office for the sales closing date for your specific non-insured crop.

How are payments calculated?

For qualifying producers, if the Total Crop Revenue is less than the SURE Guarantee, the SURE payment makes up 60% of the difference.

The SURE Guarantee is approximately 115 % of your crop insurance guarantee for insured crops and 120% of your NAP Guarantee for crops covered by NAP. Producers without insurance that pay the “buy-in” fee will have a guarantee similar to producers with CAT or NAP level coverage.

The Total Crop Revenue is the sum obtained by adding the following;

- The estimated actual value of each crop produced on a farm by multiplying the: actual crop acreage harvested X estimated actual yield X national average market price for the marketing year for each crop (*a 12 month average price that is set by the Secretary at the end of the marketing year*)
- plus 15 percent of any direct payments issued + the total amount of all counter-cyclical or average crop revenue payments + the total amount of all marketing loan proceeds (including certificate gains) + the total amount of all crop insurance or NAP indemnities + the value of any other natural disaster assistance payments for the same loss.

Adding these calculations would give you the Total Crop Revenue for the SURE **ESTIMATED** Payment Calculation.

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Official Business



If you think your crop production could be less than normal this year, you need to check with the FSA office about the SURE program.

2008 DCP Sign-up Continues

Producers have **until September 30, 2008** to sign-up for the 2008 Direct and Counter-cyclical Payment Program (DCP). Producers can fill out their 2008 DCP contract at any USDA Farm Service Agency County Office. Sign-up can also be completed online by going to <http://www.fsa.usda.gov/FSA/edcp> and clicking on "Access eDCP Service."

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The Deadline to 'Buy-in' for the 2008 CROP DISASTER PROGRAM is September 16, 2008.

Please take time to read this flyer. It was mailed to all FSA customers in Southwest Missouri. In order to be eligible for any Crop Disaster assistance from the FSA office, you need to make sure that you either have crop insurance on all crops, including hay and pasture, or pay a "buy-in" fee at your local FSA office no later than September 16, 2008.

We always want to be optimistic about crop yields, but with the spring flooding, late planting, and current dry conditions many producers have the possibility of a short crop this fall. If we would happen to get an early frost the yields will be reduced even more. The Disaster program provisions for 2008 have changed significantly from previous years and you need to act now to maintain your eligibility for assistance. The Disaster program for 2008 and future years is referred to as the **SURE program**. In order to be eligible for the **SURE program** you must have insurance on all crops in your farming operation including hay, pasture, double crop beans, fruits and vegetables, etc., in addition to all traditional row crops.

See Reverse side for additional information on the SURE Program.

If you think your crop production could be less than normal this year, you need to check with the FSA office about the SURE program.

ESTIMATE Your Own SURE Payment

Additional information and payment calculators are available at the your local FSA office. Below are couple websites that you could use to assess your own farm situation. One is an FSA spreadsheet, the other is through Iowa State University Extension.

<http://www.fsa.usda.gov/mo>

<http://www.extension.iastate.edu/aqdm/crops/xls/a1-44surecalculator.xls>