

For: State and County Offices

Risk Management Purchase Requirement (RMPR) Waiver for 2009 Crop Year

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

The Food, Conservation, and Energy Act of 2008 (2008 Act), Pub. L. 110-246:

- was enacted June 18, 2008
- created several new disaster programs under the title, “Supplemental Agricultural Disaster Assistance”.

Note: To be eligible for these programs, producers **must** purchase at least CAT level of crop insurance for **all** insurable crops and/or NAP coverage for noninsurable crops.

The 2009 crop year sales closing dates for crop insurance and application closing dates for NAP coverage had occurred before the date of enactment for some crops. Pub. L. 110-398 amended the 2008 Act to allow a waiver of 2009 RMPR for those producers who did **not** meet RMPR. Notice NAP-112 extended the application closing date until December 1, 2008, for certain 2009 NAP crops. Therefore, the information in this notice applies to insurable crops **only**.

For the following programs, Pub. L. 110-398 authorizes a waiver that allows producers to pay a buy-in fee within 90 calendar days of the date of enactment (no later than January 12, 2009) for crops having a sales closing date before August 14, 2008, and for which crop insurance was **not** purchased:

- Supplemental Revenue Assistance Payments (SURE) Program
- TAP
- Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP).

Note: See Exhibit 1 for 2009 crop year commodities with application closing dates before August 14, 2008.

Disposal Date	Distribution
May 1, 2009	State Offices; State Offices relay to County Offices

Notice DAP-298

1 Overview (Continued)

B Purpose

This notice:

- informs State and County Offices of the disaster programs subject to the RMPR waiver
- provides State and County Offices with the guidelines for the 2009 RMPR waivers
- obsoletes CCC-753 that is no longer needed based on 2008 Act technical wording
- obsoletes Notice DAP-297.

C Supplemental Agricultural Disaster Assistance Programs Subject to the Waiver

The following 3 programs are subject to the 2009 RMPR waiver:

- SURE Program
- TAP
- ELAP.

2 RMPR's

A Eligibility Requirements

According to the 2008 Act, for producers to be eligible for assistance under the SURE Program, TAP, and ELAP, producers **must** obtain a plan of insurance for each insurable commodity on the farm. For each noninsurable commodity, the producer **must** file the required paperwork and pay the administrative fee by the extended application closing date for NAP. **According to the 2008 Act, a farm is defined as the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer.**

A farm for:

- **aquaculture** means all fish being produced in all counties that are intended to be harvested for sale by the producer
- **honey** means all bees and all beehives in all counties that are intended to be harvested for a honey crop.

Note: Producers are **not** required to have NAP coverage or insurance on grazing land to maintain eligibility for the SURE Program, TAP, or ELAP, but are required to obtain coverage for LFP only on the acres for which LFP assistance is requested.

Notice DAP-298

2 RMPR's (Continued)

B Purchase Requirements

To be considered to have obtained at least the minimum level of insurance under the SURE Program, TAP, or ELAP, a producer **must** obtain a plan of insurance with not less than 50 percent yield coverage at 55 percent of the insurable price for each crop planted or intended to be planted for harvest on a whole farm.

According to RMPR, producers are required to timely purchase, at a minimum, CAT and/or NAP coverage for **all** crops to be eligible for the SURE Program, TAP, and ELAP.

Note: Pub. L. 110-398:

- provided a de minimis exception for the SURE Program
- allows, at the option of the eligible producer on the farm, the Secretary to waive RMPR when either of the following occurs:
 - a crop is **not** considered economically significant
 - the administrative fee for NAP coverage exceeds 10 percent of the value of that crop.

C Waiver of Buy-In Fee for Socially Disadvantaged, Limited Resource, or Beginning Farmers or Ranchers

The same provisions for **socially disadvantaged, limited resource, or beginning farmers or ranchers**, as defined in the Food, Agriculture, Conservation, and Trade Act of 1990, Section 2501 (e) (7 U.S.C. 2279(e)), that applied for the 2008 “buy-in” also apply for the 2009 “buy-in”. See Notice DAP-285 for more information.

3 Waiver for 2009 Crop Year for Insurable Crops

A Overview

For the 2009 crop year, producers of insurable commodities with a sales closing date before August 14, 2008, that did **not** meet the crop insurance coverage criteria can “buy-in” or be “waived in” to be eligible for the SURE Program, ELAP, and TAP.

The 2009 crop year commodities that have sales closing dates before August 14, 2008, are listed in Exhibit 1. These are the **only** 2009 crops eligible for the “buy-in”.

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3 Waiver for 2009 Crop Year for Insurable Crops (Continued)

B Deadline

To be considered to have met RMPR, producers must pay a buy-in fee in an amount equal to the applicable CAT fee for those crops that currently do **not** have a crop insurance policy on or before January 12, 2009. For this purpose, producers, with the exception of those who meet the waivers in subparagraph 2 C, who want to buy-in to these disaster programs must visit their administrative County Office to complete CCC-752 for insurable crops.

C Applicable Crop Insurance Buy-In Fees

The buy-in fee for CAT is \$100 per crop, but not more than either of the following:

- \$300 per producer per administrative county
- \$900 total per producer for all counties.

Producers **must** “buy-in” for all insurable crops that have a sales closing date before August 14, 2008, and are **not** already covered by crop insurance.

Note: The buy-in fee is nonrefundable and due at the time a producer files CCC-752.

D Selecting and Listing Buy-In Crops on CCC-752

Only those crops listed in Exhibit 1 are eligible for this “buy-in” and must be listed individually on CCC-752.

E Buy-In Fee Collection

Producers must visit their administrative county to pay the appropriate buy-in fees and complete CCC-752. Fees must be received or postmarked by no later than January 12, 2009. To verify the postmark, attach the original envelope with date stamp to CCC-752 (see Exhibit 2 (CCC-752) for insurable crops).

Until automated software is developed and implemented for the buy-in form and collection process, **County Offices shall** manually:

- prepare CCC-752
- complete CCC-257 according to 3-FI, using program code “09CATFEESBI”
- provide producers with the Supplemental Agricultural Disaster Assistance Programs Information Fact Sheet.

Notice DAP-298

4 Action

A State Office Action

State Offices shall ensure that:

- the deadline date is adequately publicized by all available means, including immediately issuing a State press release
- County Offices:
 - are immediately informed of the contents of this notice
 - immediately publicize the deadline using all available means, including using a modified, localized version of the State press release
 - begin accepting CCC-752 and applicable buy-in fees according to this notice
 - timely schedule producer appointments, if needed, to ensure that all interested producers pay the buy-in fees on or before January 12, 2009.

B County Office Action

All County Offices shall:

- ensure that the **January 12, 2009**, deadline is adequately publicized by all available means
- immediately issue the State press release that all CCC-752's and the accompanying buy-in fees must be received, or considered received by the postmark, by January 12, 2009
- only accept buy-in fees for those crops listed in Exhibit 1.

2009 Crop Year Crops With Application Closing Dates Before August 14, 2008

State Name	RMA Crop Code	Crop Name
All States	0073	Nursery
Arizona	0201	Grapefruit
	0202	Lemons
	0205	Mandarins
	0206	Minneola Tangelos
	0215	Navel Oranges
	0216	Sweet Oranges
	0217	Valencia Oranges
	0237	Orlando Tangelos
California	0019	Avocados
	0201	Grapefruit
	0202	Lemons
	0205	Mandarins
	0206	Minneola Tangelos
	0215	Navel Oranges
	0216	Sweet Oranges
	0217	Valencia Oranges
Florida	0044	Fresh Market Sweet Corn
	0083	Peppers
	0086	Fresh Market Tomatoes
	0245	Citrus I – Early and Midseason Oranges
	0246	Citrus II – Late Oranges (Ju)
	0247	Citrus III – Grapefruit (Ju) for Freeze
	0248	Citrus IV – Tangelos and Tangerines
	0249	Citrus V – Murcott Honey Oranges
	0250	Citrus VI – Lemons and Limes
	0251	Citrus VII – Grapefruit (Fh) and Oranges (Ju) for Freeze
	0252	Citrus VIII – Naval Oranges
Georgia	0044	Fresh Market Sweet Corn
	0072	Cabbage
Hawaii	0023	Macadamia Nuts
Texas	0072	Cabbage
	0224	Early and Midseason Oranges
	0225	Late Oranges
	0226	All Other Grapefruit
	0228	Ruby Red Grapefruit
	0238	Rio Red and Star Ruby

CCC-752, 2009 Supplemental Agricultural Disaster Assistance Buy-In for Insurable Crops

A Example CCC-752

The following is an example of CCC-752.

This form is available electronically.			
CCC-752 (11-20-08) SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE BUY-IN FOR INSURABLE CROPS	U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation	1. Crop Year	2A. County FSA Office Name and Address (Including Zip Code):
			2B. Telephone No. (Including Area Code):
NOTE: The primary authority for requesting and safeguarding the information described on this form is the Food, Conservation, and Energy Act of 2008 (Pub. L. 110-246 and any amendments to such act as may follow). The information requested is necessary to determine program eligibility. Furnishing the requested information is voluntary. Failure to furnish the requested information will result in a determination of ineligibility for certain program benefits and other financial assistance administered by USDA. The information collected as a result of this form may be released to USDA employees, USDA contractors, or authorized USDA cooperators who are bound to safeguard the information under Section 1619 of the Food, Conservation and Energy Act, the Privacy Act of 1974, the E-Government Act of 2002, and related authorities. This information collection is exempted from the Paperwork Reduction Act, as it is required for administration of the Food, Conservation, and Energy Act of 2008 (see Pub. L. 110-246, Title I, Subtitle F - Administration). The provisions of criminal, civil, and privacy statutes may be applicable to the information provided. RETURN THIS COMPLETED FORM ALONG WITH YOUR APPLICABLE BUY-IN FEE TO YOUR COUNTY FSA OFFICE.			
PART A - PRODUCER INFORMATION			
3A. Name and Address of Producer (Including Zip Code)		Administrative State and County Office	
	4A. State	4B. County	
3B. Telephone Number (Including Area Code):	5. ID Number (Last 4 digits only)	6. Schedule of Deposit Number According to 3-FI	
PART B - WAIVER OF 2009 BUY-IN FEE			
DEFINITIONS FOR THE PURPOSE OF THIS FORM:			
A "Socially Disadvantaged Farmer or Rancher" is a farmer or rancher who is a member of a socially disadvantaged group. (For entity applicants, all members of the entity must be socially disadvantaged.) A "Socially Disadvantaged Group" is a group whose members have been subject to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities.			
A "Limited Resource" producer is a producer with both of the following:			
<ul style="list-style-type: none"> • Direct or indirect gross farm sales not more than \$100,000 in both of the previous 2 years (**to be increased starting in FY 2004 to adjust for inflation using Price Paid by Farmer Index as compared by NASS); And			
<ul style="list-style-type: none"> • Total household income at or below the national poverty level for a family of 4, or less than 50 percent of county median household income in both of the previous 2 years (**to be determined annually using Commerce Department Data). 			
**NOTE: For up-to-date data for this definition, a "limited resource farmer or rancher" status can be determined using the website for USDA Limited Resource Farmer and Rancher Online Self Determination Tool at http://www.lrftool.sc.egov.usda.gov/tool.asp . This tool will determine your status using your personal data at your state/county location. (7 C.F.R § 1469.3)			
A "Beginning Farmer or Rancher" means an individual or entity who:			
<ul style="list-style-type: none"> • Has not operated a farm or ranch for more than 10 years; • Substantially participates in the operation. If the applicant is an entity, all members must be eligible beginning farmers or ranchers. 			
7. Are you, under FSA standards, a socially disadvantaged, limited resource, or beginning farmer or rancher?			
A. Socially Disadvantaged <input type="checkbox"/> YES <input type="checkbox"/> NO B. Limited Resource <input type="checkbox"/> YES <input type="checkbox"/> NO C. Beginning Farmer or Rancher <input type="checkbox"/> YES <input type="checkbox"/> NO			
If "YES" to A, B, or C, then you are not required to pay the 2009 buy-in fee. If "NO" to A, B, and C, then you are required to pay the 2009 buy-in fee at this time.			
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CCC-752, 2009 Supplemental Agricultural Disaster Assistance Buy-In for Insurable Crops (Continued)

A Example CCC-752 (Continued)

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PART C - CROP/TYPE IDENTIFICATION		
<p><u>Purpose of this notice and definitions.</u> For purposes of this form "insurable crops" are those for which a policy or plan of catastrophic coverage (CAT) insurance was available through the Federal Crop Insurance Corporation (FCIC). "Noninsurable crops" are those crops for which a policy or plan of insurance is not available, however, coverage is offered by the Farm Service Agency (FSA) under the Noninsured Crop Disaster Assistance Program (NAP).</p> <p>In Title XII of the Food, Conservation, and Energy Act of 2008, Congress provided for new disaster programs, which together will be called the "Supplemental Agricultural Disaster Assistance Programs". Generally, producers are eligible only if they have, for all crops, obtained either FCIC crop insurance or NAP coverage. However, for the 2009 crop year only, producers who were eligible to obtain crop insurance but did not, can "buy-in" or be "waived in" to be eligible for these disaster programs by paying by the deadline a fee in an amount equal to the unpaid CAT or NAP fees. For this purpose, producers who want to buy-in to these disaster programs must complete this form if they had unpaid CAT crops and a separate form if they had unpaid NAP crops.</p> <p>This form is for the 2009 insurable CAT crops listed below. The buy-in fee is \$100 per crop, but not more than \$300 per producer per county, or \$900 total per producer for all counties.</p> <p>List all of the producer's insurable crops below for which a crop insurance policy was not purchased. The buy-in fee is non-refundable and due at the time a producer files the CCC-752.</p>		
8. Crop/Type	9. Intended Use	10. Planting Period
11A. Fees required for buy-in, based on the crops listed in Item 8 above:		\$
11B. Buy-in fees previously paid on other crops in this county:		\$
11C. Buy-in fees previously paid on crops in other counties:		\$
11D. Balance of required buy-in fees due and received:		\$
12. Remarks (Including additional crops if necessary):		
PART D - PRODUCER AND CCC REPRESENTATIVE'S CERTIFICATION		
<p><i>I have read this form and would like to buy-in or be waived in to the Supplemental Agricultural Disaster Assistance Programs. To be eligible for the program, payment is due at the time this form is filed. I have paid the above calculated buy-in fee, or my buy in fee is \$0. (Note - Application will not be complete until payment is made - payment must be made by January 12, 2009, unless that date is extended by law). I certify all information entered on this form (CCC-752) is true and correct. I understand that the buy-in fee waives the risk management purchase requirement of the Food, Conservation, and Energy Act of 2008, but does not provide insurance for insurable crops. A separate application must be filed to be eligible for benefits under the Supplemental Agricultural Disaster Assistance Programs. All information provided herein is subject to verification by the Commodity Credit Corporation. As provided in various statutes, failure to provide true and correct information may result in civil suit or criminal prosecution and the assessment of penalties or pursuit of other remedies. I am aware of and understand the requirements of the Collection of Information and Data (Privacy Act).</i></p> <p><i>This application is not valid unless accompanied by the applicable buy-in fee.</i></p>		
13A. Producer's Signature (By)	13B. Title/Relationship of the Individual Signing in the Representative Capacity	13C. Date (MM-DD-YYYY)
14A. CCC Representative's Signature	14B. Date (MM-DD-YYYY)	

**CCC-752, 2009 Supplemental Agricultural Disaster Assistance Buy-In for Insurable Crops
(Continued)**

B Completing CCC-752

Complete CCC-752 according to this table.

Item	Instructions
1	Automatically defaulted to "2009".
2A	Enter County Office name and address, including ZIP Code.
2B	Enter County Office telephone number, including Area Code.
Part A – Producer Information (To be completed by the County Office.)	
3A	Enter producer's name and address, including ZIP Code.
3B	Enter producer's telephone number, including Area Code.
4A	Enter State name where farm records are located for FSA administrative purposes.
4B	Enter FSA administrative county name where fees are collected.
5	Enter last 4 digits of producer's tax ID or Social Security number.
6	Enter CCC-257 number according to 3-FI.
Part B – Waiver of 2009 Buy-In Fee (To be completed by the County Office.)	
7A-C	<p>Check:</p> <ul style="list-style-type: none"> • "Yes" if producer is a socially disadvantaged, limited resource, or beginning farmer or rancher • "No" if the producer is not a socially disadvantaged, limited resource, or beginning farmer or rancher. <p>Note: If the producer checked "Yes" to item 7A, 7B, or 7C, then the producer is not required to purchase "buy-in". If the producer checked "No" to item 7A, 7B, or 7C, then the producer is required to purchase "buy-in".</p>
Part C – Crop/Type Identification (To be completed by the County Office.)	
8	Enter crop name and type.
9	Enter intended use of the crop.
10	Enter planting period of the crop.
11A	<p>Enter buy-in fees required for crops listed in item 8.</p> <p>Note: The buy-in fee is nonrefundable and due at the time the producer files CCC-752. If the producer qualifies as a socially disadvantaged, limited resource, and/or beginning farmer or rancher according to item 7, then the buy-in fee is waived.</p>
11B	Enter buy-in fees previously paid on other crops in this county.
11C	Enter buy-in fees previously paid on crops in other counties.
11D	Enter balance of required buy-in fees due and received.
12	Enter information about the producer's payment of fees in this county and/or other counties. Also list any additional crops and other pertinent information. Use a separate sheet if necessary.
Part D – Producer and CCC Representative's Certification (Item 13 to be completed by the producer. Item 14 to be completed by the CCC representative.)	
13 A and B	The producer shall sign and date (MM-DD-YYYY).
14 A and B	The CCC representative shall only sign and date (MM-DD-YYYY) acknowledging receipt of CCC-752, if CCC-752 is timely filed and payment of the buy-in fee, if applicable, has been received.