



Noninsured Crop Disaster Assistance Program

Purpose

The Noninsured Crop Disaster Assistance Program (NAP) provides crop loss protection for growers of many crops for which Federal crop insurance is not available.

Producer Benefits

It is local. Assistance is not dependent on multi-State crop losses requiring passage of emergency legislation in Washington, D.C.

It is funded. Potential NAP payments are anticipated and Federal funding is assured.

The price is right; no administrative fees. Your only cost is the time it takes you to annually report acres and production to the FSA office.

Eligible Crops

Eligible crops are commercial crops grown for food and fiber. Also included are floriculture, ornamental nursery, Christmas trees, turfgrass sod, seed crops, aquaculture (including ornamental fish), and industrial crops. Also, losses resulting from natural disasters not covered by the crop insurance policy may be eligible for NAP assistance. NAP does not include trees grown for wood, paper, or pulp products.

How it Works

A NAP crop is eligible when the expected "Area Yield" for the crop is reduced by more than 35 percent because of natural disaster.

Once this area loss requirement is met, NAP payments are made to eligible producers when:

- (1) individual crop losses are in excess of 50 percent of the individual's approved yield; or (2) the producer is prevented from planting more than 35 percent of the acreage intended for the eligible crop.

The low yield or prevented planting must be due to natural disaster reasonably related to the basis of the area's designation.

1998 payments are made based on 60 percent (55 percent for 1999 and subsequent crop years) of the crop's average market price (determined by FSA).

Producers must report losses within 15 days of the crop loss. Payments to any one person under NAP cannot exceed \$100,000 for any given crop year. The payment rate will be reduced for any crop which is unharvested or prevented from being planted, to reflect the decreased costs incurred.

Records

NAP yields for most crops are calculated based on an average of actual yields for a 4 to 10 year period. A minimum of four consecutive yields is needed to calculate your NAP approved yield.

If acceptable production records are not provided, a yield will be assigned. Most producers will find the assigned yield to be low. For most producers, providing production records will increase your NAP protection.

Area Defined

In addition to other criteria, in the 50 United States, a NAP area must include at least 5 producers of approved crops on separate and distinct farms.

There are three ways the State FSA office may define an area for NAP:

- (1) A county; (2) at least 320,000 contiguous acres; or (3) acreage on which the value of all crops grown is \$80 million annually or more.

Outside the 50 United States, a NAP area must include 10 or more producers of the crop for which the area is approved. The minimum size requirements do not apply.

Farm Program Fact Sheet
*Noninsured Crop Disaster
Assistance Program*

**Producers Must Act to be
Protected**

Unlike other disaster assistance programs, producers must file an acreage report and production report with the local FSA office prior to the crop reporting date. If acres and yields are not reported timely, producers may be ineligible for NAP assistance.

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