

**Fact Sheet****Noninsured Crop Disaster Assistance Program****For the 2001 and Subsequent Crop Years****How to Participate****Background**

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to eligible producers affected by natural disasters. This federally funded program covers noninsurable crop losses and planting prevented by disasters.

This fact sheet will help you establish and maintain eligibility for NAP assistance.

Who is an Eligible Producer?

An eligible producer is a landowner, tenant, or sharecropper who shares in the risk of producing an eligible crop. If you have questions regarding your eligibility, please contact your local Farm Service Agency (FSA) office.

What is an Eligible Crop?

Eligible crops include commercial crops and other agricultural commodities produced for food (including livestock feed) or fiber for which the catastrophic level of crop insurance is unavailable.

Also eligible for NAP coverage are controlled-environment crops (mushroom and floriculture), specialty crops (honey and maple sap), and value loss crops (aqua-culture, Christmas trees, ginseng, ornamental nursery, and turfgrass sod).

Please contact a crop insurance agent if you have questions regarding whether a crop is insurable in your county. For questions regarding whether a crop is eligible for NAP coverage, please contact your local FSA office.

What is an Eligible Natural Disaster?

An eligible natural disaster is any of the following:

- Damaging weather, such as drought, excessive moisture, or hurricane;
- An adverse natural occurrence, such as earthquake or flood; or
- A condition related to damaging weather or adverse natural occurrence, such as excessive heat or insect infestation.

The natural disaster must occur before or during harvest and must directly affect the eligible crop.

How Do I Apply for Coverage?

To apply for coverage you must file Form CCC-471, Application for Coverage, and pay the applicable service fees at your local FSA office. The application and service fees must be filed by the application closing date as established by your FSA state committee.

How Much is the Service Fee?

The service fee is equal to \$100 per crop per county, or \$300 per

producer per county, not to exceed a total of \$900 per producer for all counties.

Are Limited Resource Farmers Required to Pay Service Fees?

No. Limited resource producers may request a waiver of service fees. A limited resource producer has:

- an annual gross income not exceeding \$20,000 from all sources (including income from a spouse or other household members) for each of the 2 prior years; or
- less than 25 cropland acres for all crops, where a majority of the producer's annual gross income is derived from farming and this income from all farming operations does not exceed \$20,000.

What is the Coverage Period for NAP?

The coverage period for NAP may vary depending on whether you grow annual, perennial, or value loss crops.

The coverage period for annual crops begins the later of:

- 30 days after you apply for coverage and pay the applicable service fees; or
- the date your crop is planted, not to exceed the final planting date.

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and ends the earlier of:

- the date you complete the crop harvest;
- the normal harvest date for the crop;
- the date the crop is abandoned; or
- the date you destroy the entire crop acreage.

The coverage period for perennial crops always begins 30 calendar days after the application closing date and ends the earlier of:

- 10 months from the application closing date;
- the date you complete the crop harvest;
- the normal harvest date for the crop;
- the date the crop is abandoned; or
- the date when you destroy the entire crop acreage.

Please contact your local FSA office for more information on the coverage periods for perennial forage crops, controlled-environment crops, specialty crops, and value loss crops.

What Crop Information Must I Report to Remain Eligible for NAP?

To remain eligible for NAP assistance, you must annually report the following crop acreage information:

- Name of the crop (lettuce, clover, etc.);
- Type and variety (head lettuce, red clover, etc.);

- Location and acreage of the crop (field, sub-field, etc.);
- Your share of the crop and the names of other producers with an interest in the crop;
- Type of practice used to grow the crop (irrigated or non-irrigated);
- Date the crop was planted in each field; and
- Intended use of the commodity (fresh, processed, etc.).

It benefits you to report crop acreage shortly after planting (early in the risk period). It relieves you of the burden of last minute maneuvering to meet reporting deadlines and possible loss of coverage.

In addition, you must annually provide the following production information:

- the quantity of all harvested production of the crop in which you have an interest during the crop year;
- the disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged, or used differently than intended; and
- verifiable or reliable crop production records (when required).

You must provide your production information in a manner that can be easily understood by your FSA county committee. Questions regarding acceptable production records should be directed to your local FSA office.

Failure to report acreage and production information may result

in reduced or zero NAP assistance. Be aware that acreage reporting and final planting dates vary across the United States. Contact your local FSA office for your local dates.

For aquaculture, floriculture, and ornamental nursery operations, you must maintain operational records. Unique reporting requirements apply to beekeepers and producers of Christmas trees, turfgrass sod, maple sap, mushrooms, ginseng, and commercial seed or forage crops. Please contact your local FSA office for these requirements.

How Does FSA Use My Reported Acreage and Production?

FSA uses your acreage report to verify that your crop exists and your number of acres. Also, your acreage report in combination with your production report are used to calculate your approved yield (expected production for a crop year). Your approved yield is the average of your actual production history (APH) for a minimum of 4 to a maximum of 10 crop years (5 years for apples and peaches). To calculate your APH, FSA divides your total production by your crop acreage.

Your approved yield may be calculated using substantially reduced yield data if you do not report acreage and production, or report less than 4 years of crop production.

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When a Natural Disaster Strikes, How Do I Apply for NAP Assistance?

When your crop or planting is affected by a natural disaster, you must notify your local FSA office by completing Part B, Notice of Loss, on Form CCC-576, Application for Payment, within 15 calendar days of the:

- natural disaster occurrence;
- final planting date, if your planting was prevented by a natural disaster;
- date damage to the crop or loss of production becomes apparent to you; or
- the normal harvest date.

To receive NAP benefits, you must complete Form CCC-576, Application for Payment, prior to the application closing date of the subsequent year. The CCC-576 requires you to provide evidence of production and note whether the crop was marketable, unmarketable, salvaged, or used differently than intended.

How Much Production Must Be Lost to Receive a NAP Payment?

The natural disaster must have either:

- reduced your expected unit production of the crop by more than 50 percent; or
- prevented you from planting more than 35 percent of your intended crop acreage.

Expected production is the amount of the crop produced in the absence of a natural disaster. FSA compares expected production to actual production to determine the percentage of crop loss.

What is a Unit?

The NAP unit includes the specific crop acreage in the county in which you have a unique crop interest. A unique crop interest is either:

- 100 percent interest; or
- a shared interest with other producers.

How Much of My Loss Does NAP Cover?

NAP covers the amount of loss greater than 50 percent of your expected production, based on your approved yield and reported acreage.

What Information Does FSA Use to Calculate My Payment?

Your NAP payment is calculated by unit using:

- Crop acreage;
- Approved yield;
- Net production;
- 55 percent of an average market price for the specific commodity, established by your FSA state committee; and
- A payment factor reflecting the decreasing cost incurred in the production cycle for the crop that is harvested, unharvested, or prevented from being planted.

Where Can I Get More Information?

Further information on NAP is available from your local FSA office or on FSA's web site at: www.fsa.usda.gov

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