Is the Noninsured Crop Disaster Assistance Program Right for You?

Only 18 days left to decide. Call your county office to find out!

Farmers rely on crop insurance to protect themselves from disasters and unforeseen events, but not all crops are insurable through the USDA’s Risk Management Agency. The Farm Service Agency’s (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of non-insured crops impacted by natural disasters that result in lower yields, crop losses, or prevents crop planting.

Eligible crops include those for which crop insurance is not available, except for grazed crops and value loss crops, such as honey, maple sap, and many others. Contact your FSA office to see which crops are eligible in your state and county.

Eligible losses of crop cause include drought, freeze, hail, excessive wind or hurricane. For these events must occur during the NAP policy coverage period, before or during harvest, and the disaster must directly affect the eligible crop. For guidance on causes of loss not listed, contact your local FSA county office.

NAP Cont...

Interested producers must apply for coverage using FSA form CCC-471, “Application for Coverage,” and pay the applicable service fee at the FSA office where their farm records are maintained. These must be filed by the application closing date. Closing dates vary by crop, so it is important to contact your local FSA office as soon as possible to ensure you don’t miss an application closing date.

At the time of application, each producer will be provided a copy of the NAP Basic Provision, which describes how NAP works and all the requirements you must follow to maintain NAP coverage. NAP participants must provide accurate annual reports of their production in non-loss years to ensure their NAP coverage is beneficial to their individual operation.

Basic NAP coverage is free and Buy-Up coverage premiums are 50% off for beginning, limited resource, minority and women farmers. Producers are required to pay service fees which vary depending on the number of crops and number of counties your operation is located in. The NAP service fee is the lesser of $235 per crop or $25 per producer per administrative county, not to exceed a total of $1,950 for a producer with farming interests in multiple counties. Premiums also apply when producers elect higher “box-up” levels of coverage with a maximum premium of $15,750 per person or legal entity depending on the maximum payment limit that may apply to the NAP covered producer. The service fee can be waived for beginning, qualifying veteran, and limited resource farmers and ranchers. These farmers and ranchers can also receive a 50 percent reduction in the premium.

Deadlines remaining for 2021 crop year NAP coverage:

- 03/15/21 – Beans, Brussels-Sprouts, Cantaloupe, Celery, Corn, Cucumbers, Eggplant, Horseradish, Oats, Onions, Peppers, Pumpkins, Sorghum, Soybeans, Squash, Sunflowers, Sweet Potatoes & Yams, Tomatillos, Tomatoes, Watermelons.

*This is not an all-inclusive list of covered crops and some crops on this list may not have NAP coverage available if traditional crop insurance is available in your county. For more information on the NAP Program please contact your local office for additional information.

For more detailed information on NAP, download the NAP Fact Sheet. To get started with NAP, we recommend you contact your local USDA service center.

Quality Loss Assistance Program Deadline - March 5th

The U.S. Department of Agriculture’s (USDA) Farm Service Agency (FSA) sign-ups for the Quality Loss Adjustment (QLA) Program will close Friday March 5, 2021. Funded by the Further Consolidated Appropriations Act of 2020, this new program provides assistance to producers who suffered eligible crop quality losses due to natural disasters occurring in 2018 and 2019.

Eligible Crops

Eligible crops include those for which federal crop insurance or Noninsured Crop Disaster Assistance Programs (NAP) coverage is available, except for grazed crops and value loss crops, such as honey, maple sap, aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery, Christmas trees, and turfgrass sod. Additionally, crops that were sold or fed to livestock or that are in storage may be eligible; however, crops that were destroyed before harvest are not eligible. Crop quality losses occurring after harvest, due to deterioration in storage, or that could have been mitigated, are also not eligible.

Assistance is based on a producer’s harvested affected production of an eligible crop, which must have had at least a 5% quality loss reflected through a quality discount or for forage crops, a nutrient loss, such as total digestible nutrients.
USDA Extends General Sign-up for Conservation Reserve Program

Losses must have been a result of a qualifying disaster event (hurricane, excessive moisture, flood, qualidade drought, tornadoes, hail, severe winter weather, erosion, animal damage, wildfire, or other condition that occurred in calendar years 2018 and 2019.

Assistance is available for eligible producers in counties that received a qualifying Presidential Emergency Disaster Declaration or Secretarial Disaster Designation because of one or more of the qualifying disaster events or related conditions.

Lists of counties with Presidential Emergency Disaster Declaration and Secretarial Disaster Designations for all qualifying disaster events for 2018 and 2019 are available here. For drought, producers are eligible for QLA if the area met the criteria in an area within a county validated by the U.S. Drought Monitor as having a D3 (exceptional drought) or higher intensity level during 2018 or 2019.

Producers in counties that did not receive a qualifying designation or registration may still apply but must also provide supporting documentation to establish that the crop was directly affected by a qualifying disaster event.

To determine QLA eligibility and payments, FSA considers the total quality loss caused by all qualifying natural disasters in cases where a crop was impacted by multiple events.

Applying for QLA

When applying, producers are asked to provide verifiable documentation to support claims of quality loss or nutrient loss in the case of forage crops. For crops that have been sold, grading must have been completed within 30 days of harvest, and for forage crops, a laboratory analysis must have been completed within 30 days of harvest.

Some acceptable forms of documentation include sales receipts from buyers, settlement sheets, truck or warehouse scale tickets, written sales contracts, similar records that represent actual and specific quality loss information, and forage tests for nutritional values.

Payments Calculations and Limitations

QLA payments are based on formulas for the type of crop (forage or non-forage) and loss documentation submitted. Based on this documentation FSA is calculating payments based on the producer’s own individual loss or based on the county average loss. More information on payments can be found on farmers.gov/quality-loss.

For each crop year, 2018, 2019 and 2020, the maximum amount that a person or legal entity may receive, directly or indirectly, is $150,000. Payments made to a joint operation (including a general partnership or joint venture) will be multiplied by the number of persons and legal entities that comprise the ownership of the joint operation. A person or legal entity is ineligible for QLA payment if the person’s or legal entity’s average Adjusted Gross Income exceeds $500,000, unless at least 75% is derived from farming, ranching or forestry-related activities.

Future Insurance Coverage Requirements

All producers receiving QLA Program payments are required to purchase crop insurance or NAP coverage for the next two available crop years at the 60% coverage level or higher. Wildlife and Hurricane indemnity Program Plus (WHIP+) participants who already met the WHIP+ requirement to purchase crop insurance or NAP coverage are considered to have thereby met the requirement to purchase crop insurance or NAP coverage for QLA. If eligible, QLA participants may meet the insurance purchase requirement by purchasing Whole-Farm Revenue Protection coverage offered through USDA’s Risk Management Agency.

More Information

For more information, visit farmers.gov/quality-loss, or contact your local USDA Service Center. Producers can also obtain one-on-one support with applications by calling 877-508-8364.

Deadline Nears for Agriculture Risk Coverage and Price Loss Coverage Programs for 2021

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The sign-up period opened Tuesday, Oct. 13. These key U.S. Department of Agriculture (USDA) safety-net programs help producers weather fluctuations in either revenue or price for certain crops, and more than $5 billion in payments are in the process of going out to producers who signed up for the 2019 crop year.

Enrollment for the 2021 crop year closes March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

Covered commodities include barley, canola, and small chickpeas, com, crape, flossed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium and short grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

2021 Elections and Enrollment

Producers can elect coverage and enroll in crop-by-crop ARC-County or PLC, or ARC Individual for the entire farm, for the 2021 crop year. Although election changes for 2021 are optional, enrollment (signed contracts) is required for each crop-year program. If a producer has a multi-year contract on the farm and makes an election change for 2021, it will be necessary to sign a new contract.

If an election is not submitted by the deadline of March 15, 2021, the election defaults to the current contract (if a producer has a multi-year contract on the farm) is required for each crop-year program.

When applying, producers are asked to provide verifiable documentation to support claims of quality loss or nutrient loss in the case of forage crops. For crops that have been sold, grading must have been completed within 30 days of harvest, and for forage crops, a laboratory analysis must have been completed within 30 days of harvest.

More Information

For more information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, visit the ARC and PLC webpage. For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.
As one of the largest private-lands conservation programs in the United States, CRP provides both economic and conservation benefits by taking land out of agricultural production. Program successes include:

- Sequestering in soils and plants over 12 million metric tons of carbon dioxide equivalent (CO₂e), or about the same amount that the entire state of Delaware emits annually.
- Preventing more than 2 billion tons of soil from being blown away by wind erosion over the life of currently enrolled acres.
- Reducing phosphorous reaching streams by almost 85 million pounds, nitrogen by nearly 450 million pounds, and sediment by over 160 million tons in 2020 alone.
- Creating more than 2.3 million acres of restored wetlands while protecting more than 177,000 acres of wetlands from development.
- Establishing over a half million acres of dedicated pollinator habitat and nearly 15 million more acres of diverse plantings that provide forage for pollinators.
- Increasing populations of ducks and other game birds, prairie chickens, and such grassland songbirds as Baird's Sparrow. CRP in the Northern Great Plains supports an estimated 8.6% of the grassland bird population.
- Increasing habitat that supports economic opportunities, such as job creation, related to hunting and fishing activities.

This signup for CRP gives producers an opportunity to enroll land for the first time or re-enroll land under existing contracts that will be expiring Sept. 30, 2021. All interested producers, including those on Indian reservations and with trust lands, are encouraged to contact their local USDA Service Center for more information.

All USDA Service Centers are open for business, including those that restrict in-person visits or require appointments. All Service Center visitors wishing to conduct business with FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors are required to wear a face covering during their appointment. Our program delivery staff will continue to work with our producers by phone, email, and using online tools. More information can be found at farmers.gov/coronavirus.

FSA Implements Set-Aside Loan Provision for Customers Impacted by COVID-19

Set-Aside Delays Loan Payments for Borrowers

USDA’s Farm Service Agency (FSA) will broaden the use of the Disaster Set-Aside (DSA) loan provision, normally used in the wake of natural disasters, to allow farmers with USDA farm loans who are afflicted by COVID-19, and are determined eligible, to have their next payment set aside. In some cases, FSA may also set aside a second payment for farmers who have already had one payment set aside because of a prior designated disaster.

FSA direct loan borrowers will receive a letter with the details of the expanded Disaster Set-Aside authority, which includes the possible set-aside of annual operating loans, as well as explanations of the additional loan servicing options that are available. To discuss or request a loan payment Set-Aside, borrowers should call or email the farm loan staff at their local FSA county office.

The set-aside payment’s due date is moved to the final maturity date of the loan or extended up to 12 months in the case of an annual operating loan. Any principal set-aside will continue to accrue interest until it is repaid. This aims to improve the borrower’s cashflow in the current production cycle.

FSA previously announced it was relaxing the loan-making process and adding flexibilities for servicing direct and guaranteed loans to provide credit to producers in need. Direct loan borrowers and borrowers are encouraged to contact their local FSA county office to discuss loan making and servicing flexibilities and other needs or concerns they are participating in the guaranteed loan programs are encouraged to contact their lender. Information on these flexibilities, and office contact information, can be found on farmers.gov/coronavirus.

FSA will be accepting most forms and applications by facsimile or electronic signature. Some services are also available online to customers with an eAuth account, which provides access to the farmers.gov portal where producers can view USDA farm loan information and certain program applications and payments. Customers can track payments, report completed practices, request conservation assistance and electronically sign documents. Customers who do not already have an eAuth account can enroll at farmers.gov/coronavirus.

Contact FSA

FSA encourages producers to contact their county office to discuss these programs and temporary changes to farm loan deadlines and the loan servicing options available. For Service Center contact information, visit farmers.gov/contactus. For servicing information, access farmers.gov.

Contact your local FSA Farm Loan Officer

- Atlantic, Cape May, Cumberland, Gloucester, and Salem Counties: (609) 205-1225
- Burlington, Camden, Mercer, Middlesex, Monmouth, and Ocean Counties: (908) 267-1839
- Bergen, Essex, Hudson, Hunterdon, Morris, Passaic, Somerset, Sussex, Union, and Warren Counties: (908) 852-2576

USDA is an equal opportunity employer, provider and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal Relay). (866) 377-8842 (Relay voice users).