

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Noninsured Crop Disaster Assistance
Program for 2001 and Subsequent Years
1-NAP (Revision 1)**

Amendment 61

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Paragraph 197 has been amended to incorporate the revised policy that, for 2011 and subsequent years, a producer can obtain either a RI-PRF or VI-PRF policy and NAP coverage on the same acres for the same intended use, and still remain eligible to earn a PRF indemnity payment and NAP payment on the same acres for the same intended use.

Subparagraph 502 A and Exhibit 43 have been amended to add a note that both locations provide CCC-576 instructions.

Page Control Chart		
TC	Text	Exhibit
	4-113 through 4-116	1, pages 3, 4
	4-116.5 through 4-116.8	43, pages 1, 2
	8-1, 8-2	

196 Small Grain Forage (Continued)**D Small Grain Acreage Eligibility**

Small grain crop acreage eligible for NAP assistance for forage losses includes acreage planted and reported to FSA according to paragraph 151 as intended for forage production.

Small grain interseeded with an existing stand of grass or legume is not considered small grain forage. The acreage may be eligible under the standard forage procedure provided in this part.

COC shall consider the following in all determinations of small grain forage eligibility.

- **Water source.** Water must be available for use by the livestock during the grazing period. Producers must have an established water source, such as pond, municipal water supply, etc., or the capability to support the water requirements of the livestock during the grazing period.
- **Fertilization.** Higher fertilization requirements are necessary when the small grain crop is intended for both forage and grain.
- **Fencing.** Permanent or temporary fencing must exist or be available.

COC will not approve small grain forage eligibility when questions of adequate water, fertilization, or fencing exist.

Small grain crop acreage ineligible for NAP assistance for forage losses includes:

- small grain crop acreage planted and reported without an intent of forage production (intended only for grain production)
- crop residues
- volunteer stands of small grain.

196 Small Grain Forage (Continued)**E Final Planting Dates**

COC shall establish an appropriate final planting date on the basis of the intended harvest method, such as mechanical or grazed, and season of use, such as fall/winter, spring, or full season. The final planting date must reflect the latest date the small grain forage can be planted to reasonably expect to achieve 100 percent of the expected yield or carrying capacity.

Example: The final planting date for fall/winter and full season small grains grazing or forage has been established as September 1 to ensure that the carrying capacity for grazing or expected yield for forage will be met. The final planting date for spring small grains grazing or forage and intended for grain has been established as October 15 to ensure that the carrying capacity for grazing or expected yields for forage and grain will be met.

Note: There shall only be 2 final planting dates established for small grain forage.

197 NAP Coverage and RMA PRF Pilot Insurance Program Coverage**A Background**

--In 2008 RMA began offering, in selected States and counties, a RI-PRF and/or VI-PRF policy to provide producers the ability to purchase insurance for losses of forage produced-- for grazing or mechanically harvested for hay. PRF does not offer coverage for forage seed. CAT coverage is not available under the pilot PRF programs.

Section 196(a)(2)(A) of the 1996 Act provides that commercial crops or other agricultural commodities, except livestock, that is produced for food or fiber for which CAT coverage is **not** available through RMA shall be an eligible crop under NAP. NAP currently provides benefits for forage crop losses; therefore, NAP will continue to be available to producers in those counties covered by pilot PRF programs.

* * * Section 196(h)(3) of the 1996 Act provides that producers who are eligible to receive benefits under NAP, and are also eligible to receive assistance for the same loss under any other program administered by the Secretary shall be required to elect whether to receive benefits under NAP or under the other program, but not both. Payments for the same loss, under the statute, would be payments for which there is any duplicate coverage whatsoever, such that it would cover all or part of the same period on all or part of the same acres.

Note: A producer under the PRF programs is not required to insure all acres; however, all *--acres are covered under NAP.--*

197 NAP Coverage and RMA PRF Pilot Insurance Program Coverage (Continued)

***--B RMA RI-PRF Pilot Program**

Between the years 2008 through 2010, RMA offered a RI-PRF policy to producers in select States to only cover losses because of drought. Losses were calculated using a deviation from the historical average index, as determined by RMA for a specific time period selected by the producer. Because RI-PRF does not cover all perils, NAP was made available to producers on the same acres covered by RI-PRF to provide coverage for losses resulting from other eligible NAP conditions, such as flood, fire, and freeze.

For 2008 through 2010, a producer could obtain both a RI-PRF policy and NAP coverage on the same acres with the **same intended use** because the RI-PRF policy was limited to drought as a cause of loss and did not cover all perils. However, if the producer earned an indemnity payment under the RI-PRF policy for a **specific intended use**, then the producer was ineligible for a NAP payment on any of the acres covered by NAP for the **same intended use** on that unit.

A producer with an RMA RI-PRF policy:--*

- insures acres on a grid basis (12 x 12 mile grid), not a county or unit basis
- is not required to insure all insurable forage acres associated with the grid; however, the insured acreage cannot exceed the total number of grazing or haying acres operated
- must select at least two, 2-month time periods (called index intervals) in which acreage is insured for which precipitation is important to the growth and production of the insured's forage species
- does not have to identify the specific location of the acreage within a grid that is insured.

Note: Producers are required to identify a reference point for the insured acreage within the applicable grids.

--Further analysis was conducted to determine whether RI-PRF pilot policies cover the same crop losses as are covered under NAP. RI-PRF losses are determined based on a lack of rainfall, measured by a reduction in moisture from the norm. NAP covers production losses; therefore, RI-PRF pilot policies and NAP do not cover the same crop losses on the same acres for the same intended use.--

197 NAP Coverage and RMA PRF Pilot Insurance Program Coverage (Continued)

***--B RMA RI-PRF Pilot Program (Continued)**

For 2011 and subsequent years, a producer that purchases a RI-PRF policy and NAP coverage on the same acres for the **same intended use** still remains eligible to earn a PRF indemnity payment and NAP payment on the same acres for the **same intended use**.--*

* * *

C County Office Action When a Producer Requests NAP Coverage in a County Eligible *--for RMA RI-PRF Pilot Program for 2008 Through 2010 Only

For 2008 through 2010, County Offices shall follow the steps in this table when a producer requests NAP in an area where the RI-PRF Pilot Program is offered. The table references forage acreage intended for grazing; however, the same steps and provisions apply when the acreage is intended for mechanically harvested forage.

Step	Action	
1	A producer visits a County Office to obtain NAP coverage for acreage intended for grazing. The acreage is located in an area where the RI-PRF Pilot Program is offered.	
2	County Office determines if the producer has purchased a RI-PRF policy on any of the forage acres intended for grazing.	
3	<p>IF the producer has...</p> <p>not purchased a RI-PRF policy for any of the grazing acres for any interval and grid in the NAP unit</p>	<p>THEN County Office informs the producer that...</p> <ul style="list-style-type: none"> • he/she may obtain NAP coverage on his forage acreage intended for grazing • he/she will be ineligible for NAP benefits if he/she does obtain a RI-PRF policy on any of his forage acreage in the unit intended for grazing and earns an indemnity payment under the RI-PRF policy • the same provisions apply to his/her forage acreage intended to be mechanically harvested forage if he/she obtains a RI-PRF policy.

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197 NAP Coverage and RMA PRF Pilot Insurance Program Coverage (Continued)

**C County Office Action When a Producer Requests NAP Coverage in a County Eligible
*--for RMA RI-PRF Pilot Program for 2008 Through 2010 Only (Continued)**

Step	Action	
3 (Cntd)	<p>IF the producer has...</p> <p>purchased a RI-PRF policy for any of the grazing acres for any interval and grid in the NAP unit</p>	<p>THEN County Office informs the producer that...</p> <ul style="list-style-type: none"> • the only peril covered by the RI-PRF policy is the reduction of precipitation from the historical average index • he/she may obtain NAP coverage on the same acreage intended for grazing for losses because of other perils such as fire, flood, and freeze • he/she will not be eligible for any NAP benefit on any of the forage acreage intended for grazing in the unit if he/she earns an indemnity payment under the RI-PRF policy regardless of whether all acres are covered under the RI-PRF policy • the same provisions apply to his/her forage acreage intended for forage that is covered by a RI-PRF policy. <p>Exception: For 2008, 2009, and/or 2010, County Offices are authorized to issue NAP payments to producers who timely:</p> <ul style="list-style-type: none"> • obtained an RI-PRF policy and NAP coverage on the same acreage for the same intended use • file a 2008, 2009, or 2010 notice of loss (CCC-576) and does either of the following: <ul style="list-style-type: none"> • timely filed a 2008, 2009, or 2010 application for payment (CCC-576) for the same crop and intended use covered by their RI-PRF policy • files or has filed a late-filed application for payment (CCC-576) for the same crop and intended use covered by their RI-PRF policy <p>Note: Applications for coverage and late-filed notices of loss (CCC-576's) will not be accepted for 2008, 2009, or 2010.</p> <ul style="list-style-type: none"> • met all other eligibility requirements of 1-NAP.

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197 NAP Coverage and RMA PRF Pilot Insurance Program Coverage (Continued)

***--D RMA VI-PRF Pilot Program**

The VI-PRF policy covers multiple perils and is based upon a measure of vegetation greenness that correlates to forage condition and productive capacity. For 2008 through 2010, a producer whose crop was eligible for VI-PRF was required to elect either VI-PRF policy or NAP coverage by intended use, but not both, because the same perils were covered by both products.

For 2008 through 2010, producers were required to make the election between obtaining NAP coverage or a VI-PRF policy by the earlier of the application closing date for NAP or the sales closing date for VI-PRF. Purchasing the VI-PRF policy was considered an election by the producer.

Note: For 2008 through 2010, producers could obtain NAP coverage on forage acreage intended for grazing and a VI-PRF policy on forage acreage intended for mechanical harvest, or vice versa, because they were considered separate crops by both RMA and NAP.

For 2008 through 2010, a producer with NAP must have covered all acreage of the forage species with the same intended use, in the producer's unit for all perils.--*

A producer with a VI-PRF policy:

- insures acres on a grid basis (approximately 4.8 x 4.8 mile grid), not a county or unit basis
- is not required to insure all insurable forage acres associated with the grid; however, the insured acreage cannot exceed the total number of grazing or haying acres they operate
- must select one or more 3-month time periods (called index intervals) in which acreage is insured that represent a producer's forage species production or utilization
- does not have to identify the specific location of the acreage within a grid that is insured.

Note: Producers are required to identify a reference point for the insured acreage within the applicable grids.

*--Further analysis was conducted to determine whether VI-PRF pilot policies cover the same crop losses as are covered under NAP. VI-PRF losses are a measure of vegetation greenness against the norm used to estimate plant condition and not a direct measure of production. NAP covers production losses; therefore, VI-PRF pilot policies and NAP do not cover the same crop losses on the same acres for the same intended use.

For 2011 and subsequent years, a producer that purchases a VI-PRF policy and NAP coverage on the same acres for the **same intended use** still remains eligible to earn a PRF indemnity payment and NAP payment on the same acres for the **same intended use**.--*

197 NAP Coverage and RMA PRF Pilot Insurance Program Coverage (Continued)

**E County Office Action When a Producer Requests NAP Coverage in a County Eligible
*--for RMA VI-PRF Pilot Program for 2008 Through 2010 Only**

For 2008 through 2010, County Offices shall follow the steps in this table when a producer requests NAP in an area where the VI-PRF Pilot Program is offered. The table references forage acreage intended for grazing; however, the same steps and provisions apply when the acreage is intended for mechanically harvested forage.

Step	Action	
1	A producer visits a County Office to obtain NAP coverage for acreage intended for grazing. The acreage is located in an area where the VI-PRF Pilot Program is offered.	
2	County Office determines if the producer has purchased a VI-PRF policy on any of the forage acres intended for grazing.	
3	<p>IF the producer has...</p> <p>purchased a VI-PRF policy for any of the grazing acres for any interval and grid in the NAP unit</p> <p>not purchased a VI-PRF policy for any of the grazing acres for any interval and grid in the NAP unit</p>	<p>THEN County Office informs the producer that he/she...</p> <ul style="list-style-type: none"> • is not eligible to participate in NAP on any of the forage acreage intended for grazing • may obtain NAP coverage on his/her forage acreage intended for mechanically harvested forage, provided he/she will not obtain a VI-PRF policy on these acres. • may obtain NAP coverage on his/her forage acreage intended for grazing provided he/she will not obtain a VI-PRF policy on these acres • will be ineligible for NAP benefits if he/she does obtain a VI-PRF policy on any of his/her forage acreage in the unit intended for grazing • may obtain NAP coverage on his/her forage acreage intended for mechanically harvested forage, provided he/she will not obtain a VI-PRF policy on these acres.

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--198 Multiple Marketed Crops*A Definition**

Multiple market crops are brought to 1 market where the production is split into fresh, processed, and if applicable, juice sales with separate prices for each use.

The county expected yield for multiple marketed crops is based on **crop and type** instead of crop/type/intended use.

B Multiple Market Crops List

The following are identified as multiple market crops. If STC's feel that they have crops that meet the same criteria but are **not** included in the list, they should contact the National Office and provide the names of crops (as listed in 2-CP) to be added:

- sweet potatoes
- APH-based perennial tree fruit crops including but not limited to:
 - apples
 - apricots
 - bananas
 - cherries
 - grapefruit
 - (grapes are excluded)
 - lemons
 - limes
 - oranges, including mandarin
 - peaches
 - pears
 - plums
 - prunes
 - tangelos
 - tangerines.--*

199 (Reserved)

Part 8 General Payment Provisions

502 Application for Payment

A Filing CCC-576

[7 CFR 1437.10 (b)] An application for NAP payment must be filed on CCC-576, Parts D through G, as applicable:

- with the County Office where the units are administered
- in conjunction with filing an acceptable CCC-576-1 that is required only when an appraisal is required or measurement service is requested or required by spot check

Exception: If producer has signed the final appraisal and CCC-576-1, and all production is accounted on the CCC-576, Parts D through F, producer does not need to sign Part G.

- no later than the subsequent crop year acreage reporting date for the crop following the crop year in which the loss occurred

Exception: An application for NAP payment for perennial forage intended for grazing must be filed no later than **final** subsequent crop years acreage reporting date found in 2-CP, Exhibit 6 for the crop, following the crop year in which the loss occurred. The completion of independent assessments or the determination of the percentage of loss of similarly mechanically harvested forage from perennial forage acreage may not be known before the earlier of 15 calendar days before the onset of harvest or grazing of the specific crop according to 2-CP, Exhibit 6.

Note: Filing an application for payment 15 calendar days before the onset of harvest does **not** apply.

- COC has authority to encourage producers to provide information by an earlier date, such as sales closing date; however, production submitted by the subsequent crop year acreage reporting date for the crop shall be considered timely
- with required documentation according to subparagraph B.

Notes: A timely CCC-576 is required. Producers interested in obtaining a NAP payment for a qualifying loss shall file CCC-576.

Other producers involved in the farming relationship may choose to use the production and loss information previously filed. By signing the certification in Part G they acknowledge the information is correct.

--See Exhibit 43 for further CCC-576 instructions.--

COC shall ensure that the filing requirement in this subparagraph is adequately publicized.

502 Application for Payment (Continued)**B When CCC-576 Is Considered Filed**

CCC-576 is considered filed when all the following apply:

- it is accompanied by all required documentation for the unit, including, but not limited to:
 - an acceptable report of acreage according to Part 4
 - an acceptable CCC-576, Part B filed according to paragraph 401
 - acceptable production evidence according to Part 6
 - any document or form required to establish producer or person eligibility according to Parts 2 and 4

Exception: Approved yields are not applicable to:

- value loss crops (paragraph 181)
 - turfgrass sod (paragraph 186).
- any other documentation and information necessary from the applicant for COC to determine the correct payment amount.

C Late-Filed CCC-576's

CCC-576, and any required information and documentation for CCC-576, submitted beyond the period defined in subparagraph A shall be received by the County Office and placed in the producer's file.

COC shall immediately notify the producer in writing that:

- the application was not filed timely
- assistance cannot be paid.

Note: The letter advising any producer that CCC-576 cannot be paid shall include the basis for the determination and a right of reconsideration according to 1-APP. The right of reconsideration is limited to providing facts and evidence that CCC-576 was filed timely.

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Forms (Continued)

Number	Title	Display Reference	Reference
CCC-576B	2001 Noninsured Crop Disaster Assistance Program Payment Calculation Worksheet (Value Loss Crops)	1281	Text
	2002 and Future Years Noninsured Crop Disaster Assistance Program Manual Payment Calculation Worksheet (Value Loss Crops)	1284	
CCC-576C	2001 Noninsured Crop Disaster Assistance Program Payment Calculation Worksheet (Grazing Crops)	1282	1276, 1279, 1283, 1314, 1315, 1413
CCC-576E	NAP Estimated Calculated Payment Report		881, 1016, 1315, 1400, 1413, 1414
CCC-577	Transfer of NAP Coverage	Ex. 9	24.5, 1461, 1463
CCC-579	NAP Approved Yield Compliance Worksheet	600	
CCC-770 Eligibility	Eligibility Checklist		1311
CCC-770 NAP	Noninsured Crop Disaster Assistance Program Payment Checklist	11	
CCC-902	Farm Operating Plan		29
CCC-926	Livestock Indemnity Program Third Party Certification		1311, Ex. 43
FSA-13A	Data Security Access Authorization Form		771
FSA-325	Application for Payments of Amounts Due Persons Who Have Died, Disappeared, or Have Been Declared Incompetent		1276
FSA-570	Waiver of Eligibility for Emergency Assistance		32
FSA-578	Report of Acreage		Text, Ex. 42
FSA-1001 <u>1/</u>	Notice of Peanut Poundage Quota		Ex. 18

1/ Form is obsolete.

Reports, Forms, Abbreviations, and Delegations of Authority (Continued)

Abbreviations Not Listed in 1-CM

The following abbreviations are not listed in 1-CM.

Approved Abbreviation	Term	Reference
AUD	animal-unit-day	Text, Ex. 2
BHI	Bahai grass	193, 195
CDPS	Common Disaster Provisions Section, DAB, PECD	24.5
CIH	Crop Insurance Handbook	1, 426
CPB	Common Provisions Branch, PECD	1315
CVS	Compliance Validation System	751.5
DAB	Disaster Assistance Branch, PECD	10, 24.5, 170, 189, 1467
E-FC	electronic fund control	1277
ECPR	Estimated Calculated Payment Report	1483
FTA	fescue, tall	194.5, 195
MPCI	Multiple Peril Crop Insurance	426
NAPB	Noninsured Assistance Program Branch, PECD	10, 170, 195, 884, Ex. 17
NTS	no type specified	193
PP	prevented planted	1110
PRD	production reporting date	Text, Ex. 2
PRF	pasture, rangeland, and forage	197
RI-PRF	Rainfall Index - Pasture, Rangeland, Forage	197
SUD	Sudan	1283.5
SWI	Switch	1283.5
T-yield	transitional yield	107, 152, Part 5, 322, 323, 327, 600, Ex. 2, 17
VI-PRF	Vegetative Index - Pasture, Rangeland, Forage	197

Redelegations of Authority

This table lists the redelegations of authority in this handbook.

Redelegation	Reference
In routine cases, COC may redelegate, in writing, to CED the authority to act on, or sign, as applicable, CCC-576, Parts C and H.	401
The redelegation must define what COC considers routine.	
COC may redelegate, in writing, to CED and program technicians, the authority to complete and sign automated CCC-452's and CCC-452 Manuals.	838, Ex. 25

Instructions for Completing CCC-576

A Completing CCC-576

CCC-576 is broken down by parts to accommodate both the notice of loss and application for payment information. As a result, CCC-576, Part B may be completed by anyone sharing in the risk of the farming operation. As long as 1 person having an interest in the farming operation files a timely notice of loss, according to paragraph 401, all producers having an interest will be considered timely filed. CCC-576, Parts D through G, as applicable, shall be completed by each producer having a share in the farming operation to document their individual share of the loss and complete the application for payment.

Note: The first producer, having an interest in the unit, that completes CCC-576, Parts D through F, as applicable, may file the production and loss information for all other producers having an interest in the crop. Other producers who file must certify by signing Part G that the production and loss information currently on file is correct before receiving their benefits. If a producer does not agree that the information on file is correct, the producer will be required to supply supporting documentation to justify any changes or corrections. If applicable, COC shall follow paragraph 36 for unacceptable, incorrect, or false record certifications.

A separate CCC-576, Part B shall be filed for each:

- crop, type, within the pay crop pay type grouping recorded for each natural disaster, except multiple disasters that occur concurrently

Note: Concurrent disasters may be recorded on the same CCC-576, Part B.

- planting period for crops with multiple planting periods.

Note: See paragraph 178 for defining multiple planting periods.

One CCC-576, Parts D through G, as applicable, may be completed for all types within the pay crop pay type grouping. CCC-576, page 2 will summarize all acres and production for all types within the pay crop pay type grouping. A separate CCC-576, page 2 will be completed for each planting period.

***--Note:** See paragraph 502 for additional CCC-576 information.--*

***--Instructions for Completing CCC-576 (Continued)**

A Completing CCC-576 (Continued)

Item	Instructions
Part A - General Information	
This part is to be completed by the County Office.	
1A	Enter County Office name, address, and telephone number.
1B	Enter State and administrative county code.
2	Enter NAP unit number. Note: See paragraph 28 for the definition of NAP unit.
3	Date stamp indicating when application is received.
4	Enter the name and address of the producer who is providing the notice of loss for the unit.
5A	Enter telephone number, including area code, for the producer entered in item 4.
5B	Enter e-mail address of producer, if available.
6	Enter farm numbers associated with unit.
7A	Enter the 4 or 5 character alpha crop abbreviation from 2-CP, Exhibit 10.5. Example: The alpha crop abbreviation for eggplant is "EGGPL".
7B	Enter the 4 character numeric pay crop code from 1-NAP (Rev.1) Exhibit 7. Example: The numeric pay crop code for eggplant is "0318".
7C	Enter the 3 character numeric pay type code from 1-NAP (Rev. 1) Exhibit 7. Example: The numeric pay type code for Oriental is "001".
7D	Enter the numeric planting period as established according to paragraph 178.

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