National Crop Disaster Assistance Program (NAP)

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.

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 the Farm Service Agency.

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 syrup), and value loss crops (aqua-culture, Christmas trees, ginseng, ornamental nursery, and turf grass sod).

To apply for coverage you must file Form CCC-471, Application for Coverage, and pay the applicable service fees. The application and service fees must be filed by the application closing date.

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.

Some upcoming 2007 sales closing dates are:

September 30, 2007

Wheat (grazing/hay), Barley (grazing/hay), Oats (grazing/hay), Rye (grain, grazing/hay)

OFFICE CLOSED OCTOBER 8, 2007 FOR COLUMBUS DAY

DCP PROGRAM

It’s not too late to sign-up for the 2007 Direct and Counter-cyclical Payment (DCP) Program. Missing the June 1 deadline will cost you a late-filing fee of $100 per farm.

You have until Sept. 30, 2007, to sign-up for the 2007 DCP.

Remember, when signing the 2007 contract, contract shares should correspond with (1) the shares and risk and (2) control of base acreage reported on acreage reports.

Succession to contract shares for 2007 must be reported and new contracts signed no later than Sept. 30, 2007.

Contact the county office staff for details.

DISASTER SIGN-UP DATES ANNOUNCED

Sign-up date for the new Crop Disaster Program has been announced. Eligible farmers can sign-up for the Crop Disaster Program (CDP) beginning October 15, 2007, if they suffered quantity losses to their crops. USDA will announce and conduct CDP sign-up for quality losses as soon as possible.

CDP provides benefits to farmers who suffered quantity and quality losses to 2005, 2006, or 2007 crops from natural disasters if the crop was planted before Feb. 28, 2007, or, in the case of prevented plantings, for crops that would have been planted before Feb. 28, 2007. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year to apply for benefits. Producers may apply for benefits for losses to multiple commodities as long as the losses occurred in the same crop year. Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits. Producers must have suffered quantity losses in excess of 35 percent to be eligible for CDP. Contact the FSA county office for more details.
Loan and LDP Information

Loans or LDPs are available for producers who share in the risk of producing crops. To be eligible, you must maintain beneficial interest in the crop (maintain title, control of the crop) through the time of application. Producers who have contracted the commodity, sold directly off the field or immediately fed the commodity must have filed a CCC-633EZ page 1 to maintain eligibility for an LDP. The CCC-633EZ page 1 must be signed prior to harvest. Producers who deliver grain under a delayed pricing contract lose beneficial interest upon delivery in most cases.

Electronic Loan Deficiency Payments (eLDP) are available to producers who have an active USDA eAuthentication Level 2 account. The eLDP is an internet based service that allows producers to request certified LDPs online and, in most cases, receive approval and payment by direct deposit within 48 hours. eLDP services provide greater flexibility to producers by reducing their need to travel to and from county FSA offices. eLDPs are available 24 hours a day, seven days week, except during routine backup and maintenance periods.

Commodities harvested for other than grain (such as hay or silage) are also eligible for LDPs. Applications should be made prior to feeding or selling. The maximum eligible quantity is based on actual production of grain for the farm. Producers who want to ensure the use of their own yield should request measurement service for farm stored commodities prior to feeding. If actual production is not available, the county committee will assign a yield based on three similar farms in your area. Yield for crops that sustained weather damage will be based on the insurance appraisal.

Interest rates vary monthly and are based on the month of approval. Rates are subject to change January 1.

Loan repayment options include:
- repay the loan, principal plus interest
- repay the loan at the market repayment rate
- deliver the outstanding quantity to a designated warehouse

When commodities are under loan and used as collateral, they may not be moved without prior written consent from the county office.

Disaster Declaration for 2007 Drought

On September 12, 2007, Secretary Johanns declared a natural disaster in the State of North Carolina based on damages and losses caused by a drought and high temperatures that occurred from January 1, 2007 and continuing. As a result of this natural disaster, Alamance County was included in this declaration and was declared eligible for Federal disaster assistance, including Farm Service Agency (FSA) emergency loans for eligible farmers. Farmers must qualify for FSA emergency loan assistance in accordance with Section 321(a) of the Consolidated Farm and Rural Development Act.

If interested, you may contact Mr. David L. Sharpe or Mr. Tom Simmons at 336-342-0460.

Farm Storage Facility Loans

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans and corn.

The seven-year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures.

All farm storage facility loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to $100,000 for each borrower. A minimum down payment is also required. For details, contact the county office staff.

Preventing Fraud and/or Waste

The Farm Service Agency has joined with the Risk Management Agency to prevent fraud, waste and abuse in the Federal Crop Insurance Program. FSA has, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. In addition, FSA will refer all suspected cases of fraud, waste and abuse to RMA.

Producers can report suspected cases to the county office staff, RMA office, or the Office of the Inspector General.