Producers who suffer a production loss must report timely to allow FSA Loss Adjuster to inspect the crop acreage and complete any necessary appraisal.

Producers with hand pick operations must request an appraisal after harvest of the crop in the year of loss.

Remember When Requesting Payment...

When requesting payment for loss or prevented planting due to disaster conditions, you must sign Part E of Form CCC-576. The deadline for application for payment is the subsequent year's application closing date for the crop.

Determining Your 2003 Level of Coverage

For NAP covered crops, your eligibility for NAP assistance is based on your proven history of producing the crop or an expected yield for the county. Each unit will have an Actual Production History (APH). Losses exceeding 50% of your APH will be covered. Payments are based on 55% of the average market price for the crop.

When you apply for benefits, you will be notified if any current eligibility issues could cause you to be ineligible. To qualify for NAP you must:

- file Form CCC-471 to apply for coverage for 2003 crops for which you want loss protection by the applicable application closing date for the crop.
- certify your gross revenue
- establish your eligibility for payment by filing Form CCC-502
- certify compliance with Highly Erodible Land and Wetland Conservation compliance provisions on Form AD-1026
- timely report your crop acreage to FSA
- provide documentation to establish your actual production history and to support current year production, as applicable

- be aware of program deadlines in the counties where you have farming interests
- provide notice of crop loss to FSA within 15 days of the date damage occurs or becomes apparent to you; and give FSA the opportunity to inspect the acreage prior to making any other use of the crop

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C., 20250-9410, or call (202) 720-5964 (voice or TDD).

Noninsured Crop Disaster Assistance Program (NAP)

How to File a Claim





UNITED STATES DEPARTMENT OF AGRICULTURE Farm Service Agency



Farm Service Agency October 2002

USDA

What is NAP?

The noninsured crop disaster assistance program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. Benefits are only available for crops for which the catastrophic level of crop insurance is not available. NAP offers:

- Risk protection during the time when your crops are most vulnerable
- Individualized risk protection based on your ability to produce the crop
- Guaranteed benefits when catastrophic loss occurs due to natural disaster, at minimal cost
- Opportunity for reduced risk when diversifying your farming operation
- Disaster relief that does not require special legislation or funding
- Up to \$100,000 in benefits per crop year for each participating "person."

NAP is a voluntary program that reduces your risk of financial loss when natural disasters cause losses or prevented planting of an eligible crop or agricultural commodity. NAP is authorized by the Federal Agriculture Improvement and Reform Act of 1996, amended by the Agriculture Risk Protection Act of 2000.

2002 Crop NAP Sign-Up Activity is Over and...

Disaster Strikes, What do I do?

You notify your local FSA office by completing Part B of Notice of Loss on Form CCC-576, Application for payment. THIS NOTICE MUST BE WITHIN 15 CALENDAR DAYS OF THE:

- Natural disaster occurrence
- Final planting, 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.

FSA will send a certified loss adjuster to inspect the crop acreage. You must allow FSA to inspect the damage prior to destroying the crop or making any other use of the land, such as planting to another crop.

When crop failure occurs prior to the final planting date for the crop, you must replant the crop in order to maintain coverage. If weather conditions, such as excessive moisture prevent you from replanting the crop, you may qualify for prevented planting coverage. Claims for prevented planting must be filed on Form CCC-576 within 15 days after the final planting date.

NAP benefits will be available for losses due to natural disaster and will not be provided for losses caused by failure to follow good farming practices.

How Much Production Must be Lost to Receive NAP Payment?

The natural disaster must have either:

- Reduced your expected unit production of the crop by more than 50%; 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 the 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
- shared interest with other producers.

How Much of My Loss Does NAP Cover?

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.

Reporting Acreage and Production

Acreage and shares of NAP covered crops **must** be reported on Form FSA-578. Crops planted after the established final planting date are not eligible for coverage. Measurement services are available if needed.

Production records for all NAP crops must be reported to the FSA office no later than the application closing date for the crop for the following year. If you are reporting production in a loss year, you must provide a certification of the amount produced and provide an acceptable record of such production. You will be responsible for maintaining these records for 3 years.

- Eligible production records include:
- Commercial receipts
- Appraisals
- Settlement receipts
- Pick records
- Load summaries
- Scale tickets
- Warehouse ledger sheets
- Contemporaneous diaries or measurements