

**For:** Florida State and County Offices

**Florida Disaster Program Linkage Noncompliance Report**

**Approved by:** Acting Deputy Administrator, Farm Programs



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**1 Overview**

**A Background**

Florida Disaster Program linkage applies to producers who were **not** insured by Federal crop insurance or covered by NAP at the time of the disaster.

If linkage is applicable (the crop was not covered by insurance or NAP at the time of the disaster), the producer was required to obtain Federal crop insurance at the CAT level or above for the next available crop year on all crops for which disaster benefits were received. NAP coverage must be obtained if crop insurance is not available.

The Florida Disaster Program Linkage Noncompliance Report will be provided as an Excel spreadsheet that provides a list of all producers who received an uninsured Florida Disaster Program payment and the insurance status for each producer.

**B Purpose**

This notice provides instructions for using the Florida Disaster Program Linkage Noncompliance Report as a basis for compliance determinations for Florida Disaster Program participants.

<b>Disposal Date</b>	<b>Distribution</b>
December 1, 2007	Florida State Office; Florida State Office relays to County Offices

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**2 Accessing the Florida Disaster Program Linkage Noncompliance Report**

**A Accessing the Report**

The Excel spreadsheet containing the list of producers who received an uninsured Florida Disaster Program payment shall be accessed according to the following table.

<b>Step</b>	<b>Action</b>
1	Open Internet Explorer.
2	ENTER <a href="http://dc.ffasintranet.usda.gov/farmbill/cc/default.htm">http://dc.ffasintranet.usda.gov/farmbill/cc/default.htm</a> on the address line and PRESS “Enter”.
3	Click “Florida Disaster Program Linkage Report”.

**B Reading the Report**

The Florida Disaster Program Linkage Noncompliance Report identifies all producers who received an uninsured Florida Disaster Program payment with the insurance status for each producer. The report lists the following:

- State code
- county code
- last 4 digits of the producer’s ID number
- ID type
- program indicator
- producer’s name
- uncovered payment amount
- 2005 coverage
- 2006 coverage.

**C Example of the Florida Disaster Program Linkage Noncompliance Report**

Following is an example of the Florida Disaster Program Linkage Noncompliance Report.

<b>State Code</b>	<b>County Code</b>	<b>Producer ID (Last 4)</b>	<b>ID Type</b>	<b>Program Indicator</b> N=Nursery C=Citrus P=Vegetable	<b>Producer Name</b>	<b>Uncovered Payment Amount</b>	<b>2005 Coverage</b>	<b>2006 Coverage</b>
01	001	1111	S	N	John Doe	1,111.00	NAP	
01	001	2222	E	C	Bill Jones	2,222.00		INS
01	001	3333	S	P	James Smith	3,333.00		
01	001	4444	E	C	Bob Johnson	4,444.00	INS	INS

### **3 Linkage Exceptions**

#### **A Reviewing Report for Potential Exceptions**

County Offices shall review the list of producers on the Florida Disaster Program Linkage Noncompliance Report and annotate those producers who appear on the report who are in compliance with the linkage requirements because any of the following apply.

- The crop was not eligible for either crop insurance or NAP coverage.
- The producer obtained crop insurance or NAP coverage on all crops that received benefits in the required linkage year.
- The crop insurance sales closing date or NAP application closing date had passed for the 2005 crop year.
- The producer did not plant 1 or more of the crops that received benefits during the crop year for which linkage applies. See subparagraph C for additional information.
- The producer has already refunded the full amount of the Florida Disaster Program payment to the County Office.
- The producer is no longer farming.
- The producer is no longer farming as the entity listed on the report.

#### **B Crop Cannot Be Covered**

In some County Offices, neither crop insurance nor NAP coverage can be obtained on a crop. If the crop to which linkage applies meets this exception, the linkage requirement will be considered to have been met for that crop for the applicable crop year. However, all other crops for which Florida Disaster Program benefits were received must be insured or covered by NAP to meet the full linkage requirement.

#### **C Producer Obtained Coverage on the Crop**

The Florida Disaster Program Linkage Noncompliance Report is a tool to assist County Offices with determining whether producers met the Florida Disaster Program linkage requirement. The report provides a list of all producers who received uninsured Florida Disaster Program benefits. As a result, the possibility exists that producers may have obtained the required coverage but will still be listed on the report. County Offices shall follow instructions in paragraph 4 to determine whether a listed producer has met the linkage requirement.

**3 Linkage Exceptions (Continued)**

**D Sales Closing Date for Crop Insurance or Application Closing Date for NAP Had Passed**

If the sales closing date for crop insurance or the application closing date for NAP for the 2005 crop year had passed on the date that the producer applied for Florida Disaster Program benefits, the producer was required to obtain coverage for the 2006 crop year.

**E Producer Did Not Plant the Crop**

If a producer did not plant a crop during the year for which linkage applies, the linkage requirement will be considered to have been met for that crop for the applicable crop year.

**Examples:** The producer received Florida Vegetable, Fruit, and Tropical Fruit Disaster Program benefits. The producer did not plant the vegetable crop in 2005 or 2006. At the time that the producer applied for Florida Vegetable, Fruit, and Tropical Fruit Disaster Program benefits, coverage was still available for the 2005 crop year. In this example, the linkage requirement applies to the 2005 crop year; therefore, the linkage requirement was met because the producer did not plant the vegetable crop in the 2005 crop year.

The producer received Florida Nursery Crop Disaster Program benefits. The producer planted the nursery crop in 2005, but did not plant the nursery crop in 2006. At the time that the producer applied for Florida Disaster Program benefits, coverage was still available for the 2005 crop year. The producer did not obtain coverage on the nursery crop for 2005. In this example, the linkage requirement applies to the 2005 crop year; therefore, the linkage requirement was **not** met because the producer planted the nursery in 2005 but did not obtain coverage.

The linkage certification provided in Exhibit 1 shall be completed if the producer did **not** plant a crop for which Florida Disaster Program benefits were received in the year for which linkage applies.

**Note:** If FSA-578 is on file that covers all cropland on the farm and/or unit, a linkage certification is **not** required.

**F Producer Already Refunded Florida Disaster Program Payment**

Producers who have already refunded their Florida Disaster Program payment shall **not** be considered out of compliance with linkage requirements.

**G Producer Is No Longer Farming**

Producers who completely stopped farming or stopped farming as the entity listed on the report as of the 2005 crop year shall **not** be considered out of compliance with linkage requirements.

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**4 County Office Action**

**A Determining Proper Action**

After reviewing the report, County Offices shall take action according to the following table.

<b>Step</b>	<b>Action</b>	
1	Determine the program for which each producer applied.  <b>Note:</b> The “Program Indicator” column provides the program for which each producer applied.	
2	Review the program application for each producer listed on the report to determine the crop year for which linkage was required. This is determined based on the application date.	
3	Review the report to determine whether the producer may have obtained coverage on all crops in the required linkage year.	
	<b>IF the year of coverage column for the required linkage year...</b>	<b>THEN...</b>
	is blank	mail the producer both of the following: <ul style="list-style-type: none"> <li>• a notification letter informing them of their linkage requirement and the lack of a record indicating insurance or NAP coverage was purchased for the required year</li> </ul> <p><b>Note:</b> Use the suggested format in Exhibit 2.</p> <ul style="list-style-type: none"> <li>• linkage certification. This will allow the producer to indicate that a crop was not planted in the required linkage year.</li> </ul> <p><b>Note:</b> Use the suggested format in Exhibit 1.</p> <p>The notification letter and linkage certification shall be mailed by August 1, 2007.</p>
	contains NAP	<ul style="list-style-type: none"> <li>• review FSA-578 to determine the crops for which the producer applied for a Florida Disaster Program payment</li> <li>• review the producer’s CCC-471 to determine whether all of the crops were covered by NAP.</li> </ul>
	<b>IF the producer...</b>	<b>THEN...</b>
	obtained NAP coverage on all crops	manually annotate this on the report. No further action is necessary.
	did <b>not</b> obtain NAP coverage on all crops	follow procedure in subparagraph B.

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**4 County Office Action (Continued)**

**A Determining Proper Action (Continued)**

<b>Step</b>	<b>Action</b>		
<p>3 (Cntd)</p> <p><b>IF the year of coverage column for the required linkage year...</b></p>	<p><b>IF the year of coverage column for the required linkage year...</b></p>	<p><b>THEN...</b></p>	
	<p>contains INS</p>	<ul style="list-style-type: none"> <li>• review FSA-578 to determine the crops for which linkage applies</li> <li>• mail the producer both of the following:                             <ul style="list-style-type: none"> <li>• a letter requesting proof of coverage on all crops for which Florida Disaster Program benefits were received</li> </ul> </li> </ul> <p><b>Note:</b> Use the suggested format in Exhibit 3.</p> <ul style="list-style-type: none"> <li>• linkage certification. This will allow the producer to indicate that a crop was not planted in the required linkage year.</li> </ul> <p><b>Note:</b> Use the suggested format in Exhibit 1.</p> <p>The proof of coverage letter and linkage certification shall be mailed by August 1, 2007.</p>	
	<p>contains INS and NAP</p>	<ul style="list-style-type: none"> <li>• review FSA-578 to determine the crops for which the producer applied for a Florida Disaster Program payment</li> <li>• review the producer's CCC-471 to determine whether all of the crops were covered by NAP.</li> </ul>	
		<p><b>IF the producer...</b></p>	<p><b>THEN...</b></p>
		<p>obtained NAP coverage on all crops</p> <p>did <b>not</b> obtain NAP coverage on all crops</p>	<p>manually annotate this on the report. No further action is necessary.</p> <p>mail the producer both of the following:</p> <ul style="list-style-type: none"> <li>• a letter requesting proof of coverage on all crops for which Florida Disaster Program benefits were received</li> </ul> <p><b>Note:</b> Use the suggested format in Exhibit 3.</p> <ul style="list-style-type: none"> <li>• linkage certification. This will allow the producer to indicate that a crop was not planted in the required linkage year.</li> </ul> <p><b>Note:</b> Use the suggested format in Exhibit 1.</p> <p>The proof of coverage letter and linkage certification shall be mailed by August 1, 2007.</p>

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**4 County Office Action (Continued)**

**B Action After Notification and/or Proof of Coverage Letter Is Mailed**

County Offices shall use the following table to determine appropriate action after the notification and/or proof of coverage letter has been mailed according to subparagraph A.

<b>IF the...</b>	<b>THEN the County Office shall...</b>
producer contacts the County Office within 30 calendar days of the date of the letter and provides proof of any of the exceptions listed in paragraph 3 and/or proof of coverage for all crops receiving benefits	manually annotate this on the report. No further action is necessary.
producer contacts the County Office within 30 calendar days of the date of the letter and notifies the County Office that the linkage requirement was not met and refunds the payment	<ul style="list-style-type: none"> <li>• follow subparagraph C to establish the receivable</li> <li>• apply the collection to the established receivable.</li> </ul>
producer contacts the County Office within 30 calendar days of the date of the letter and notifies the County Office that the linkage requirement was not met	follow subparagraph C to establish the receivable and notify the producer of the debt.
County Office determines that the producer did not obtain the required coverage	
producer does not contact the County Office within 30 calendar days of the date of the letter	

**C Establishing Receivables**

County Offices shall use the following table to determine appropriate action if Florida Disaster Program participants do not fulfill the linkage requirement.

<b>Step</b>	<b>Action</b>
1	Enter a disapproval date on the original automated Florida Disaster Program application. The disapproval date shall be the day the County Office becomes aware of the violation.
2	Run the overpayment process.
3	Transfer the linkage violation overpayments to the Common Receivable System.
4	Enter the date of the original Crop Disaster Program disbursement as the interest start date.
5	Follow 50-FI, paragraph 30 to determine the applicable interest rate.

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### 4 County Office Action (Continued)

#### D Acceptable Coverage

To meet linkage requirements, producers must have obtained either or both of the following on **all** crops for which a Florida Disaster Program payment was received:

- Federal crop insurance at the CAT level or above for the next available crop year
- NAP coverage for the next available crop year.

Participants in the Florida Citrus Program will have met the linkage requirements if they obtained Federal crop insurance coverage with either a Florida Citrus Fruit policy or a Florida Fruit Tree policy.

**Example of Linkage Certification**

**Linkage Certification**

During the \_\_\_\_\_ crop year, in \_\_\_\_\_ County, I did not plant any of the following crops for which a Florida Disaster Program payment was received.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Print Name of Producer receiving payments under Florida Disaster Program

\_\_\_\_\_  
Signature of Producer  
or authorized agent

\_\_\_\_\_  
Date

Example of Notification Letter

United States  
Department of  
Agriculture

County Office Name and Address

Date:

To: Participants in Florida Disaster Program

Producers who received a Florida Disaster Program payment were required to purchase crop insurance or NAP coverage for the next available crop year on all crops for which benefits were received.

In \_\_\_\_\_ County, there is no record indicating you purchased the required crop insurance or NAP coverage on the following crops for the \_\_\_\_\_ crop year.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Noncompliance with the linkage requirement will require a refund of your Florida Disaster Program payment, plus interest.

You must contact the \_\_\_\_\_ FSA County Office within 30 calendar days from the date of this letter to resolve any differences.

If you did not grow one or more of the crops listed above during the \_\_\_\_\_ crop year, you may indicate so by signing the attached certification and returning it to the \_\_\_\_\_ FSA County Office within 30 calendar days from the date of this letter.

**Example of Proof of Coverage Letter**

United States  
Department of  
Agriculture

County Office Name and Address

Date:

To: Participants in Florida Disaster Program

Producers who received a Florida Disaster Program payment were required to purchase crop insurance or NAP coverage for the next available crop year on all crops for which benefits were received.

In \_\_\_\_\_ County, there is a record indicating you purchased crop insurance coverage for the \_\_\_\_\_ crop year. Coverage was required for the following crop(s):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

You must contact the \_\_\_\_\_ FSA County Office within 30 calendar days from the date of this letter to provide proof of coverage on the above crop(s).

Noncompliance with the linkage requirement will require a refund of your Florida Disaster Program payment, plus interest.

If you did not grow one or more of the crops listed above during the \_\_\_\_\_ crop year, you may indicate so by signing the attached certification and returning it to the \_\_\_\_\_ FSA County Office within 30 calendar days from the date of this letter.