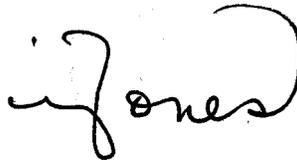


For: State and County Offices

Preparing the Crop Table for the 2005, 2006, and 2007 Crop Disaster Program (CDP)

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

The U.S. Troop Readiness, Veterans' Care, Katrina Recovery and Iraq Accountability Appropriations Act, 2007 authorizes payments to be issued for 2005, 2006, and 2007 crop disaster losses. A forthcoming DAP handbook will provide additional information.

B Purpose

This notice:

- instructs State Offices about data loading prices and yields for CDP
- informs State Offices that they can begin to load crop data:
 - immediately into the 2007 National Crop Table (NCT)
 - into the CDP Crop Table when it becomes available.

Note: A future notice will provide information on the CDP Crop Table.

Disposal Date	Distribution
June 1, 2008	State Offices; State Offices relay to County Offices

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2 Historical Yield and Price Data

A Yields

The 2005, 2006, and 2007 crop record yields will be calculated using the Olympic average of 2001 through 2005 historical data. Therefore, States will be required to load historical data only once in the 2007 NCT or in the CDP Crop Table, when available. If States:

- have 5 years of historic yield data available, all 5 years must be loaded to calculate a yield
- do **not** have 5 years of historic yield data, the average will be calculated based on the simple average of the available years.

Because the data consists of averages and not annual data, States shall not use previous disaster yield data, NAP-approved yield data, or RMA data as a source when establishing the historic 5 year data base unless no other data is available. If disaster, NAP, or RMA data is the only data available, then it shall be entered in the historic database for only 1 year.

B Prices

The 2005, 2006, and 2007 crop record prices will be calculated using the Olympic average of 2001 through 2005 historical data. The price for insurable records will be obtained from the insurability file obtained from RMA and automatically loaded for the State.

If an insurance record is loaded under the 2007 NCT, validations will require that prices be entered.

IF...	THEN...
States load the insurable records after the CDP Crop Table becomes available	price data will not be required.
there is not a matching insurance record for the crop	that record will not pass validation until the historic price data has been loaded.

Follow this table for crops that are not insurable.

IF...	THEN...
States have 5 years of historic price data available	all 5 years must be loaded to calculate a price.
5 years of data is not available	the average will be calculated based on the simple average of those years available.

Because the data consists of averages and not annual data, States shall not use previous disaster price data, NAP-approved price data, or RMA data as a source when establishing the historic 5 year database unless no other data is available. If disaster, NAP, or RMA data is the only data available, then it shall be entered in the historic database for only 1 year.

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3 Crop Disaster Table

A 2005, 2006, and 2007 Records

The CDP Crop Table will contain 2005, 2006, and 2007 records after duplication of the 2007 NCT takes place. When duplication of 2007 NCT occurs, all historic price and yield data will carry forward to the CDP Crop Table. The disaster crop table will:

- allow States to data load 5 years of historic data for both price and yield
- recognize other RMA practices such as double crop, summer fallow, and continuous crop
- allow crops to have multiple prices for a crop, type, graduated price, and intended use when recognized by RMA
- use the pay group definition established for the 2003, 2004, and 2005 disaster program updated with changes to crop insurance policies.

Note: The 2007 NCT crop record must be approved by the State Office to be used for the initial build of disaster crop table records. These initial records will be edited to create new records with RMA codes and updated pay groups. This will make the records available to be downloaded to the County Offices without being modified.

4 Loading Records in the 2007 NCT

A 2007 NCT Historic Records Used for CDP

Historic crop data records loaded on NCT before the crop table duplication process will be moved forward to the CDP Crop Table. States may immediately begin updating historic crop data on the 2007 NCT. When the 2005, 2006, and 2007 CDP Crop Table is available, all updates will be made using the disaster crop table process.

Although the same historic data will be used for all crop years, separate crop table records will be developed so software can accommodate insurance information, that is, price, plan of insurance, practice, etc., downloaded from RMA for each year. The insurance records for 2005, 2006, and 2007 may be different. States can add or modify historic price and yield data on the 2007 NCT for CDP, however only those records that have not been previously approved by the State can be accessed. States must set approval flags to “Y” on the 2007 NCT for those records added or modified for the sole purpose of CDP.

B Differences Between NAP and CDP

2001 through 2005 data is used to establish a price and yield for the 2005, 2006, and 2007 CDP; thus NAP and CDP may have different prices and yields for the same crop.

4 Loading Records in the 2007 NCT (Continued)

C State Office Action

State Offices shall:

- follow the provisions of this notice
- continue to compile historic price and yield data
- obtain STC approval of prices and yields for CDP
- load crop data through 2007 NCT process according to 1-NAP, Part 10 until the 2007 CDP Crop Table is available
- load historic price and yield data on the 2005, 2006, and 2007 CDP Crop Table when available.