

For: State and County Offices

NAP Availability Informational Mailing

Approved by: Acting Deputy Administrator for Farm Programs



1 Overview

A Background

NAP is a cost-effective risk management tool administered by FSA providing financial assistance to protect producers against natural disasters. To increase public awareness of NAP participation benefits, the National Office is issuing an informational letter (Exhibit 1) to all FSA customers who have reported a NAP eligible crop that was not insurable by RMA for crop years 2022, 2023, or both. The letter includes fundamental information about NAP and links to the NAP fact sheet and the NAP Basic Provisions.

B Purpose

This notice informs State and County Offices that:

- there is a potential for increased NAP activity in all County Offices
- DAFP is delegating authority to COC’s to review and grant programmatic relief for late-filed 2023 NAP applications submitted in response to the informational letter
- an electronic copy of CCC-471 NAP BP (3-4-2020) can be obtained by:
 - FSA employees at [USDA Service Center Current Forms Detail](#)
 - all interested persons at [Noninsured Crop Disaster Assistance Program \(NAP\) Webpage](#)
- the list of producers included in the mailing can be accessed by State Office Specialists according to subparagraph 3 A.

C Contacts

State Offices will contact the Safety Net Division with questions about this notice.

Disposal Date	Distribution
May 1, 2024 5-11-23	State Offices; State Offices relay to County Offices Page 1

Notice NAP-224

2 Processing 2023 Late-filed NAP Applications for Coverage Submitted in Response to the Informational Letter

A Processing Late-filed Applications for Crop Year 2023

Policy is available in 1-NAP (Rev. 2), subparagraph 301 E, for processing late-filed applications initiated using CCC-471. The policy limits the COC programmatic relief authority to applications submitted within 30 days of the applicable closing date. Requests for programmatic relief submitted more than 30 days after the application closing date must be submitted to STC for review.

Policy is available in notice NAP-221 for late-filed applications using CCC-860 for crops with application closing dates before the publication of the final rule and updated CCC-860 (1/11/2023). For CCC-860's filed on or after January 11, 2023, a NAP Notice is forthcoming.

B Processing Late-filed Applications for Crop Year 2023

For producers requesting 2023 NAP coverage in response to the informational letter, COC's are delegated the authority to grant programmatic relief for applications filed more than 30 days after the application closing date, but before the end of the coverage period. Process applications according to the following table.

IF the application for coverage is filed...	THEN process according to policy found in...
using CCC-471	1-NAP (Rev. 2), subparagraph 301 E. Note: If the producer brings a copy of the informational letter to the office, this will serve as a request for programmatic relief and justification for the late-filed CCC-471 as required in 1-NAP (Rev.2), subparagraph 301 E. A copy will be attached to the CCC-471 and documented in the COC minutes.
using a CCC-860 dated prior to 1-11-2023	Notice NAP-221. Note: The producer will not be required to provide a written statement requesting programmatic relief or providing justification for the late-filed application for coverage. The COC will document the applicable coverage period for the crop based on the date the CCC-860 was filed.
using a CCC-860 dated 1-11-2023	Policy will be posted in a forthcoming NAP notice or amendment to 1-NAP (Rev. 2) Note: The producer will not be required to provide a written statement requesting programmatic relief or providing justification for the late-filed application for coverage. The COC will document the applicable coverage period for the crop based on the date the CCC-860 was filed.

Notice NAP-224

2 Processing 2023 Late-filed NAP Applications for Coverage Submitted in Response to the Informational Letter (Continued)

B Processing Late-filed Applications for Crop Year 2023 (Continued)

The coverage period for all producers will follow current NAP policy and begin the later of:

- 1 day after the application for coverage was filed
- the date the crop was planted.

3 Action

A State Office Action

State Offices will:

- ensure that County Offices are informed of and follow the contents of this notice
- access the informational mailing producer list at [NAP SharePoint Home](#).

Note: The spreadsheet will be password protected and the password will be distributed via e-mail to all State Office NAP specialists, as currently identified in the State Office Master Contact List. The spreadsheet may be filtered by State and distributed as needed to County Offices.

B County Office Action

County Offices will:

- accept and process NAP coverage applications from all interested persons according to paragraph 2
- ensure that SDA/LR/BFR/VFR certifications filed by the producer are completed and signed on the most current CCC-860
- display CCC-471 NAP BP (03-04-20) in the Service Center and make copies available for pick up at the counter
- provide when requested by interested persons and current NAP participants:
 - the [website](#) where CCC-471 NAP BP (03-04-20) is available
 - a copy of CCC-471 NAP BP (03-04-20) by electronic communication.
 - a copy of the CCC-471 NAP BP (03-04-20) by mail.

Informational Letter

The following is an example of the informational letter sent to all FSA customers who have reported a NAP eligible crop that was not insurable by RMA for 2022, 2023, or both.



Farm
Production
and
Conservation

Farm
Service
Agency

1400 Independence Avenue, SW
Mail Stop 0510
Washington, DC 20250-0510

May 8, 2023

Dear Producer,

You are receiving this letter because you recently reported Noninsured Crop Disaster Assistance Program (NAP) eligible crops to the Farm Service Agency (FSA). NAP is administered by FSA and is a cost-effective risk management tool that provides financial assistance to protect you against natural disasters occurring during the coverage period that result in crop losses or prevent crop planting. If you have not already obtained NAP coverage for your NAP eligible crops, I encourage you to consider it as an essential component of your business plan.

Basic NAP Coverage

Yield-Based Crops: For yield-based crops, NAP offers a basic level of coverage equal to 50% of your approved yield and 55% of the average market price.

Value Loss Crops: Crops that do not lend themselves to a yield loss are considered value loss crops. Basic coverage for value loss crops is equal to 55% of the difference in the value of the crop immediately before a natural disaster event compared with the value of the crop immediately after the natural disaster event.

Buy-Up NAP Coverage

For an additional premium, higher levels of NAP coverage (referred to as Buy-Up) are available.

Yield-Based Crops: For yield-based crops, buy-up coverage is available in 5% increments ranging from 50% to 65% of your approved yield.

Value Loss Crops: For value loss crops, buy-up coverage is available at a maximum dollar amount you establish.

Basic v. Buy-Up NAP Coverage

Unlike basic coverage, which is calculated at 55% of the average market price, buy-up coverage is calculated at 100% of the average market price.

Both types of coverage require a non-refundable service fee of \$325 per crop or \$825 per producer, per administrative county, not to exceed \$1,950 per producer. In other words, if you plant three or more crops, the maximum you will pay for basic coverage is \$825 in the same administrative county, and \$1,950 if you operate in multiple counties.

Premiums for buy-up coverage are determined by multiplying your share in the crop times the eligible acres times your approved yield times coverage level times the average market price times 5.25 percent.

USDA is an equal opportunity provider, employer, and lender.

Informational Letter (Continued)

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NAP Provisions for Underserved Producers

Underserved producers including socially disadvantaged, limited resource, beginning and veteran farmers and ranchers, are eligible for a waiver of the NAP service fee and a 50% premium reduction. Also, underserved producers who have a CCC-860 certification form on file for 2022 are now considered eligible for NAP basic coverage for 2022.

Additional NAP Resources

More information, including a NAP fact sheet, is available at fsa.usda.gov/NAP.

NAP is subject to 7 CFR 1437 and the NAP Basic Provisions. Additional NAP policies and requirements are provided in the Basic Provisions, available at: www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/pdfs/ccc0471_nap_bp.pdf.

It may not be too late to obtain NAP coverage on your eligible crops. Visit or call your local FSA county office for additional information and assistance in applying for NAP coverage. To find your nearest FSA county office, visit farmers.gov/service-center-locator.

Sincerely,



Zach Ducheneaux
Administrator
Farm Service Agency

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