

For: State and County Offices

Establishing 2017 Wildfires and Hurricanes Indemnity Program (WHIP) Crop Data

Approved by: Acting Deputy Administrator, Farm Programs

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1 Overview

A Background

The Bipartisan Budget Act of 2018 (Pub. L.115-123) authorized disaster assistance for crops, trees, bushes, and vines which suffered losses because of the consequences of Hurricanes Harvey, Irma, Maria, and other hurricanes as well as wildfires occurring in calendar year 2017. The 2017 WHIP:

- provides \$2.36 billion of assistance to help America’s farmers and ranchers recover from these hurricanes and wildfires
- requires that STC’s establish and approve crop data for use in the NCT before program application and payment calculations can occur for all eligible applicants.

Note: All required crop data **must** be established as soon as possible to conduct the 2017 WHIP signup.

B Purpose

This notice:

- provides instructions:
 - to State Offices for establishing crop data elements for 2017 WHIP
 - for developing county disaster yields (CDY) for 2017 WHIP
- informs State Offices:
 - that NCT will be used and is being modified to include 2017 WHIP specific data elements
 - to notify County Offices of 2017 WHIP data elements.

Disposal Date	Distribution
December 1, 2018	State Offices; State Offices relay to County Offices

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2 Historical Yield and Price Data for 2017 WHIP

A 2017 WHIP NCT Data Elements

2017 WHIP requires that STC's establish and approve eligible crop data for use in NCT before program application and payment calculations can occur for eligible applicants. Crop data must be approved according to 1-NAP (Rev. 2), Section 2, and loaded into the NCT according to 3-NAP.

Crop data used for 2017 WHIP must first be loaded and approved for NAP in the applicable year's NCT. A separate 2017 WHIP approval flag is available and required in the 2017 and 2018 NCT for the crop data to be used for 2017 WHIP purposes.

Note: Only insurable and NAP covered crops are eligible for 2017 WHIP.

The following data elements in NCT will be required for 2017 WHIP:

- all data elements for NCT record are required to be approved by the State or National Office, such as unharvested payment factor, historical prices and yields as applicable, average price, etc. according to 1-NAP (Rev. 2) and 3-NAP

Exception: Tobacco crops which are insurable but not eligible for NAP do not need to be NAP-approved in NCT to be 2017 WHIP-approved.

Note: The requirement to establish a NAP record 120 days before the application closing date is waived for 2017 WHIP crops.

- county disaster yield
- tree/bush/vine information
- State 2017 WHIP approval.

Reminder: Insured crops that were not previously loaded will require an approved NCT record.

Organic prices and yield factors **cannot** be established at this time for 2017 or 2018 crops. For 2017 records, insurable organic prices and yield factors will automatically populate in NCT once the record is saved.

Direct market prices **cannot** be established at this time for 2017 or 2018 crops.

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3 2017 WHIP County Disaster Yield (CDY)

A 2017 WHIP CDY

A county disaster yield (CDY) must be established by COC and approved by STC for the crop, crop type, intended use, practice, and planting period to reflect the average impact the eligible disaster(s) had on crops in the county. This should be consistent with yield per acre for a substantial number of producers experiencing similar disasters. CDY applies to where the land is physically located.

Note: CDY for the specific crop in the county or area should be based on the losses incurred directly by the recognized disaster condition on a representative amount of acreage of that crop.

CDY will not be zero “0” unless no acreage of the crop was harvested and all field appraisals reflect “0” production, or if appraisals were waived by RMA or FSA.

CDY established by COC for a crop in a county is considered a matter of general applicability and, therefore, not appealable.

B COC Documentation for CDY Establishment

COC CDY recommendations must be submitted to STC for approval. COC will thoroughly document the basis for determining CDY. Documentation may include weather data, discussions with county extension service, universities, NASS data, loss estimates from applicable industries, appraisals from LA’s, damage assessment reports, RMA data, and other verifiable County Office records. The documentation must be included as supporting documentation when submitting CDY recommendations. See Exhibit 1 for documenting CDY.

COC will make recommendations to STC for crops that reflect the impact that all disaster conditions had in the county. CDY will reflect the amount of production that should have been produced considering disaster conditions in the area or county. CDY should be consistent with the average amount of production of a substantial number of producers experiencing similar disasters.

Note: While 2017 WHIP eligibility is because of losses sustained as a result of hurricanes and/or wildfires occurring in 2017, CDY should reflect the impact on the crop yield for any and all disaster conditions.

STC approved CDY will be entered in the NCT.

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4 Fruit and Nut Trees, Bushes and Vines

A Eligible Trees, Bushes and Vines

Perennial trees, bushes and vines grown for the commercial production of an annual crop intended for human consumption that were damaged or destroyed as a result of hurricane, wildfire, or related conditions are eligible for coverage under 2017 WHIP.

B Ineligible Trees, Bushes and Vines

The following trees, bushes and vines are not eligible for 2017 WHIP.

- Perennial plants that are harvested for edible roots, such as ginseng or ginger are not eligible under the tree, bush and vine provisions of 2017 WHIP but may be eligible as crop production losses.
- Abandoned groves.
- Nursery plants and ornamental plants.

Note: Nursery plants are eligible for 2017 WHIP as a value loss crop.

- Plants grown for non-commercial purposes.
- Bananas and Plantains.

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4 Fruit and Nut Trees, Bushes and Vines (Continued)

B Ineligible Trees, Bushes and Vines (Continued)

The following citrus trees in Florida are not eligible for 2017 WHIP because they will be covered through a block grant administered by the Florida Department of Agriculture and Consumer Services:

- Grapefruit
- Lemon
- Lime
- Mandarin
- Murcott
- Orange, including but not limited to the following varieties:
 - early/mid-season
 - late
 - navel
 - Temple
 - Valencia
 - Hamlin
 - Pineapple
 - Ambersweet
 - Honeybell
 - Pummelo (pomelo)
 - Tangelo
 - Tangerine
 - Tangor.

C Tree Stage Data

Trees, bushes and vines are categorized into stages of growth to accurately represent the dollar value of a plant lost at a specific stage of growth. Growth stages for trees, bushes and vines are collectively referred to as tree stages. Trees, bushes and vines will have a price and partial damage factor assigned for each applicable tree stage. FSA will use tree stages and partial damage factors that are applicable nationwide.

Trees, bushes and vines that are not insured by RMA must have stages identified to determine the value of loss. STC will consult with extension agents, local universities, horticulturists, or other reliable sources to determine tree stages for uninsured trees, bushes and vines.

4 Fruit and Nut Trees, Bushes and Vines (Continued)

C Tree Stage Data (Continued)

Up to three stages of growth may be used to identify price and damage factors. Growth is split into stages to represent:

- newly planted or reset, non-producing plants
- established plants that are not yet fully producing
- fully mature plants that are producing a yield typical of healthy plants of a similar age.

Trees, bushes and vines with shorter development cycles may be categorized using only two stages to represent:

- newly planted or reset, non-bearing plants
- fully mature plants that are producing a yield typical of healthy plants of a similar age.

STC may determine that trees beyond a certain age have reduced productivity and should be categorized as tree stage II instead of tree stage III.

D Determining Prices for Trees, Bushes or Vines

STC will consult with extension agents, local universities or other reliable sources to determine prices of lost trees, bushes or vines. University crop budgets should be used to determine costs.

Tree, bush or vine stages are determined at the crop level and will be consistent between crop types. Price data may be determined at the crop type level. Tree stage data will be loaded into the NCT for the corresponding crop.

Tree, bush or vine price is determined by accounting for the cost of:

- the tree as a new sapling
- installation labor for the sapling
- additional watering, fertilizer, and other cultural practices to develop the tree, bush or vine to the stage at which it was lost above what the lost tree would have required had it not been damaged or destroyed

Note: If there is no significant difference in annual cultural costs, STC may opt to exclude those costs from the price calculation.

- removal of a destroyed tree, bush or vine of a similar tree stage.

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4 Fruit and Nut Trees, Bushes and Vines (Continued)

E Determining Partial Damage Factors for Trees, Bushes and Vines

Partial damage factors reflect the amount of value lost if a tree requires rehabilitation but is not completely destroyed. Partial damage factors are anticipated to be consistent nationwide. Factors already established for trees where crop insurance is available will be used without regard to location.

The following table shows partial damage factors which apply nation-wide for select insurable crops.

Partial Damage Factor			
	Tree Stage		
Crop	I	II	III
Avocado	0.68	0.46	0.38
Carambola	0.48	0.36	0.3
Citrus	0.75	0.47	0.39
Lime	0.54	0.36	0.31
Mango	0.68	0.46	0.38
Weighted Average	0.63	0.42	0.35

The weighted average can be used as a guideline for establishing damage factors for uninsured trees. STC will consult with extension agents, local universities, horticulturists, or other industry experts to determine appropriate damage factors for trees, bushes or vines not covered by crop insurance.

Tree, bush or vine stages and partial damage factors are determined at the crop level and will be consistent between crop types.

F DAFP Approval

STC approved tree stage data must be submitted to DAFP by e-mail to **RA.FSA.DCWA2.ppb@wdc.usda.gov**. The subject line of the e-mail must include the text "Tree Stage Data". Provide the following documentation with the request:

- State memo
- exhibit 2
- supporting documentation.

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5 Tree, Bush, and Vine Data in NCT

A Required NCT Data for Trees, Bushes, and Vines

Although 2017 WHIP crop loss payments will be calculated separately from 2017 WHIP tree, bush or vine payments for perennial crops that grow on trees, bushes, or vines, the data necessary to determine 2017 WHIP tree, bush, or vine payments must be established within the corresponding NCT crop record for the applicable tree, bush, or vine. There are not separate crop codes for trees, bushes, and vines.

Example: Orange tree data is loaded in the NCT within the applicable orange crop (0023) record(s).

After tree stage data for damage factors and prices have been approved by DAFP, the State Office may load and approve tree, bush, and vine data into the applicable 2017 and/or 2018 NCT records.

2017 WHIP applications for trees, bushes, and/or vines will require that damage factors and prices are State Approved for 2017 WHIP in the corresponding NCT record(s).

6 2017 WHIP State Approval in NCT

A 2017 WHIP Approval in NCT

As with NAP, 2017 WHIP requires an approval flag be set to “Yes” for the NCT data to be used by downstream 2017 WHIP processes. Separate approval flags for 2017 WHIP will require that State Office NCT users approve applicable NCT records.

2017 WHIP approval will only be required at the State approval level in NCT. No data is available for County Office 2017 WHIP approval.

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6 2017 WHIP State Approval in NCT (Continued)

B Required 2017 WHIP Data for State Approval

The following table summarizes crop data requirements for 2017 WHIP.

NCT Data Element	Required for 2017 WHIP State Approval in NCT?	Required for 2017 WHIP?	NCT Data Rules	
County Disaster Yield (CDY)	Yes	Yes	<ul style="list-style-type: none"> • Same rules for County Expected Yield, but no historical data or yield source entry applies. • Organic and Transitional to Organic CDY values calculated and displayed when organic yield factors are present. • Only applicable to yield-based crops. 	
Tree/bush/vine damage factor	No	Yes	<ul style="list-style-type: none"> • Four digit value between 0.000 and 0.999 permitted. 	<ul style="list-style-type: none"> • For trees, values must be the same within the State for the crop.
Tree/bush/vine prices	No	Yes	<ul style="list-style-type: none"> • Must have an accompanying damage factor. • No historical data or price source entry applies. 	<ul style="list-style-type: none"> • For bushes and vines, values must be the same within the State for the crop and type. • 2017 WHIP requires an entry for at least the first two of the three stages.

If no applications are anticipated for a specific tree, bush, or vine in the State, the tree, bush, and vine damage factors and prices are not required for 2017 WHIP State approval.

Note: If an application is received, the records must be established so the corresponding crop record(s) may be approved on a 2017 WHIP application.

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7 Action

A State Office Action

State Offices will:

- continue to compile 2017 WHIP crop data
- obtain the data necessary to establish the 2017 WHIP crop record according to this notice
- obtain approval of crop data used for 2017 WHIP, if not previously approved for NAP purposes
- ensure consistency of CDYs in the State.

B County Office Action

County Offices will:

- submit COC recommended CDY's to STC
- notify the State Office if crop data is missing or not approved in NCT.

COC-Established County Disaster Yield

Following is an example of the County Disaster Yield Exhibit for STC Action.

County: _____ Crop Year: _____

Crop/Type	Use	Practice (I/NI)	Planting Period	Organic Status	STC Established County Expected Yield	COC Recommended CDY	STC Established CDY
Cause of Loss:					Dates of Occurrence:		
Basis for Determination:							
CED Signature & Date:				DD Signature:			Date:
State Office Use Below This Line							
Date Received From County Office:							
Date STC Reviewed:						STC Concurrence (check <input type="checkbox"/> one)	
						Yes: ()	
Date Returned to County Office:						No: ()	

STC - Proposed Tree Stage Damage Factor and Price

Following is an example of the Tree Stage Data Exhibit for STC and DAFP Action.

State: _____

Tree: _____

Bush or Vine: _____

Crop/Type	Tree Stage	Damage Factor	Price
	I		
	II		
	III		
Basis for Determination: 			
STC Signature:		Date:	
National office Use Below This Line			
Date Received From State Office:			
Date WDC Reviewed:		WDC Concurrence (check () one)	
Date Returned to State Office:		Yes: () No: ()	