

Noninsured Crop Disaster Assistance

► The Noninsured Crop Disaster Assistance Program (NAP) is designed to reduce financial losses that occur when natural disasters cause a loss of production or value or prevent planting of an eligible crop. It insures eligible organic and diversified farmers and provides incentives to beginning, socially disadvantaged, limited-resource, and military veteran farmers.

Crop insurance for specialty crops may not be covered by the risk management coverage offered by the United States Department of Agriculture (USDA) Risk Management Agency (RMA). If you are unable to get coverage through the RMA, the Noninsured Crop Disaster Assistance Program (NAP), administered by the USDA Farm Service Agency (FSA), may offer an alternative. It insures eligible organic and diversified farmers and provides incentives to beginning, socially disadvantaged, limited-resource, and military veteran farmers.

Program Basics

The NAP is designed to reduce financial losses that occur when natural disasters cause a loss of production or value or prevent the planting of an eligible crop. Coverage equivalent to 50 percent of the expected production and 55 percent of the average market price of the crop, referred to by the FSA as basic 50/55 NAP coverage, is available. Higher levels of coverage, called buy-up coverage, can be purchased by the application closing date for all eligible crops that were successfully grown in a previous year. Buy-up coverage levels range from 50 to 65 percent of production, in 5 percent increments, at 100 percent of the average market price. Producers who elect additional coverage must pay a premium in addition to a service fee. Crops intended for grazing are not eligible for additional coverage.

Eligibility

NAP benefits are available to all producers who have both a share of the risk in producing the crop and a valid claim of share ownership for marketing the crop. Some examples include the following:

- Farms that grow crops not covered in their area by current RMA policies
- Small diversified farms



- Some farms that direct market crops that are uninsurable in their area
- Organic producers who want to insure their crops at organic price points

Eligible Crops. Eligible crops must be commercially produced and crop insurance not available. Crops include those grown for food, fiber and seed, specialty crops, crops used for biofuels, and crops grown in a controlled environment.

If you are unsure whether your crop is covered or would like more information regarding coverage, contact the FSA county office where the farm records are maintained.

Eligible Causes of Loss. Eligible causes of loss include combinations of drought, freeze, hail, excessive moisture, excessive wind or hurricanes, earthquakes, floods, excessive heat, plant disease, volcanic smog (VOG), and insect infestation. Damage must occur during the coverage period, before or during harvest, and have a direct effect on the eligible crop.

If your NAP-covered crop incurs damage from a natural disaster, the damage must be reported to your FSA county office within 15 calendar days of the occurrence. For hand-harvested crops and certain perishable crops, you must notify FSA within 72 hours of when the loss is apparent.

NAP coverage is available to farmers who have an average adjusted gross income, not over \$900,000. Farmers are also required to pay a service fee calculated as the lesser of either \$325 per county, per crop, or \$825 per producer county. The maximum service fee to be paid by the farmer is \$1,950. Beginning, limited-resource, socially disadvantaged, and qualifying veteran farmers or ranchers are eligible for a waiver of the service fee and a 50 percent premium reduction.

How to Apply

Applications are available at your local FSA office. Service fees are due at the time of application submission. Both the application and service fees must be received before the application closing date. Closing dates vary by state, so check with your local FSA office to be sure your application will be submitted during the open enrollment period.

Beginning, limited-resource, and socially disadvantaged farmers should complete the self-certify using form CCC-860, Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification, to have the service fee waived and receive the premium reduction at the time of enrollment.

A crop acreage report documents all crops and their intended uses; a production report documents previous crop yields. Both reports must be submitted to the FSA annually. Your local USDA service center staff can help you file both acreage and production reports and provide maps and deadlines to simplify the reporting process. Producers can also use FSA's self-service portal, FSAFarm+, to securely view or print maps. To enroll in the online service, contact your local FSA office.

To receive NAP benefits, enrolled producers must submit form CCC-576, Notice of Loss and Application for Payment, within 60 days of the end of the coverage period for the specific NAP-covered crop. Records of all harvested production and supporting documentation together with the crops final disposition, if different from originally reported, must also be provided.

For additional information, refer to the following:

- USDA Disaster Assistance Noninsured Crop Disaster Assistance Program
- Limited Resource Farmer/Rancher Status Determination Tool
- USDA Noninsured Crop Disaster Assistance Program (NAP)
- USDA Service Center Locator at USDA Find Your Local Service Center



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For more information, contact your county Extension office. Visit www.aces.edu/directory.

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