

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Noninsured Crop Disaster Assistance
Program for 2001 and Subsequent Years
1-NAP (Revision 1)**

Amendment 56

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 171 B has been amended to clarify that preceding 2001, NAP assistance for forage crops produced on Federal and State lands was limited only to seeded forage crops.

Subparagraphs 194.5 C and E have been amended to add legumes intended for seed.

Subparagraph 195 K has been amended to clarify that:

- STC's have authority to establish an area for which 2 independent assessments must be completed
- an area for which 2 independent assessments must be completed may consist of multiple counties within a State with similar forage types, soil types, topography, stocking rates, etc.

Subparagraph 401 B has been amended for clarity and to be consistent with the regulations at 7 CFR 1437.10.

Subparagraph 503 C has been amended to add the 2010 AUD value.

Subparagraph 752 E has been amended to add the 2006 through 2010 AUD values.

Page Control Chart		
TC	Text	Exhibit
	4-34.5, 4-34.6 4-108.11, 4-108.12 4-108.17, 4-108.18 4-110.19, 4-110.20 7-1, 7-2 8-3, 8-4 10-7, 10-8	

171 Eligible Crops

A Definition of Eligible Crops

[7 CFR 1437.4] Eligible crops are any commercial agricultural crop (excluding livestock and their by-products), commodity, or acreage of a commodity grown for food or fiber for which CAT is not available.

For 2010 and future years, follow subparagraph C to determine when NAP coverage can be offered.

Notes: Refer to 2-CP, Exhibit 10.5 to determine type, variety, or intended use. Do **not** use “other”, “regular”, or other generic references as a type or variety for NAP purposes.

If the specific crop, type, or variety is not listed, follow subparagraphs 170 E and F to request that the crop, type, or variety be added.

B Eligible Crops for NAP Assistance

NAP assistance may be made available for any commercially produced:

- crop grown for food
- crop planted and grown for livestock consumption, including, but not limited to, grain and seeded and native forage crops

***--Note:** For 2001 and preceding years, NAP assistance for forage crops produced on Federal and State lands was limited to seeded forage crops.--*

- crop grown for fiber, excluding trees grown for wood, paper, or pulp products
- aquacultural species, including ornamental fish
- floriculture crops
- ornamental nursery
- Christmas tree crops
- turfgrass sod

194.5 Mechanically Harvested Forage for Seed Provisions (Continued)***--C Determining Eligible Acreage of Perennial Grasses and Legumes Intended for Seed**

To be eligible for NAP coverage, perennial grass and legume acreage intended for seed shall be:

- crop acreage that meets 1 of the following conditions:
 - is seeded to a perennial grass or legume, with an intent of producing certified grass or legume seed

Notes: The certified grass or legume seed shall be grass or legume seed produced by an individual, firm, or corporation that produces certified seed and/or plants. The producer **must** have a license to produce certified grass or legume seed, as applicable.

Legumes may include, but are not limited to, alfalfa, clover, vetch, etc.

- is seeded to a perennial grass or legume, with an intent of producing commercial grass or legume seed, for which a grass or legume seed contract was executed **on or before** the acreage reporting date for the applicable crop, with a seed company that is a business enterprise that possesses:
 - all applicable licenses required for marketing commercial grass or legume seed, as applicable
 - facilities with enough storage and drying capacity to accept and process the covered crop within a reasonable amount of time after harvest
- was planted to the same forage type and harvested for grass or legume seed, as applicable, in at least 3 of the 5 years **before** the year of CCC-471--*

Note: NAP coverage for producers with at least a minimum of 3 years of harvested acreage history will be limited to the Olympic average (dropping the high and low) of the most recent 5 years harvested acreage history **before** the year of CCC-471.

194.5 Mechanically Harvested Forage for Seed Provisions (Continued)

***--C Determining Eligible Acreage of Perennial Grasses and Legumes Intended for Seed (Continued)**

Example: Wayne purchased 2008 NAP coverage for FTA with an intended use of grass seed. The following table shows Wayne’s prior year harvested acreage history of FTA for grass seed for the years 2003 through 2007.--*
 The 2008 NAP coverage for FTA intended for seed will be limited to 41.7 acres based on the Olympic average of 2003 through 2007 FTA harvested for seed acreage (excluding the high and low) that is $50.0 + 0.0 + 75.0 \div 3 = 41.7$.

Year	FTA Harvested Acreage For Seed	2008 NAP Covered Acres of FTA for Seed
2007	50	
2006	0	
2005	100	
2004	75	
2003	0	
		41.7

- reported for the year of CCC-471 by the acreage reporting date for the applicable crop.

*--The producer shall provide a copy of the grass or legume seed contract for the contracted grass or legume seed acreage, or accepted certification application, for the certified grass or legume seed acreage to the administrative County Office **on or before** the acreage reporting date for the applicable crop. Failure to provide a copy of the grass or legume seed contract or certification application accepted by the certifying agency, by the acreage reporting date for the year of CCC-471, shall result in the denial of NAP benefits for the intended grass or legume seed crop.--*

194.5 Mechanically Harvested Forage for Seed Provisions (Continued)

E Determining Loss on Forage Acreage Intended for Seed That Is Grazed Only (Continued)

Losses on forage acreage intended to be mechanically harvested for seed, but are grazed **only**, shall be determined according to the following table.

IF the producer...	THEN the loss shall be determined based on...
<p>provides County Office with acceptable and verifiable evidence of both of the following:</p> <ul style="list-style-type: none"> • the acreage for which CCC-576 is filed was planted to the same forage type and intended use for which a loss is being claimed for at least 3 out of 5 years before the year in which a loss is claimed • 1 of the following: <ul style="list-style-type: none"> • documentation to show that the producer is a *--licensed producer of certified grass or legume seed and/or plants • copy of a grass or legume seed contract executed on or before the applicable acreage reporting date to produce seed on the forage acreage being claimed, in the year in which the loss is claimed <p>Note: The grass or legume seed contract shall be with a seed company that is a business enterprise that possesses all licenses for marketing commercial grass or legume seed, as applicable.</p> • evidence of grass or legume seed production, as applicable, from the forage acreage being claimed --* for at least 3 of the 5 years before the year in which a loss is being claimed <p>Note: See subparagraph F for acceptable evidence of acreage and seed production.</p>	<p>an appraisal of the specific acreage, provided the producer:</p> <ul style="list-style-type: none"> • timely files CCC-576 for seed, according to paragraph 401 • before grazing, establishes representative sample areas according to subparagraph 427 B • within 15 calendar days of placement, informs County Office of the location of the sample areas for appraisal and spot check purposes • at the end of the normal *--harvest date for the grass or legume seed, --* and before the first freeze, requests an appraisal of the sample areas be completed.

194.5 Mechanically Harvested Forage for Seed Provisions (Continued)

E Determining Loss on Forage Acreage Intended for Seed That Is Grazed Only (Continued)

IF the producer...	THEN the loss shall be determined based on...
<p>does not provide County Office with acceptable and verifiable evidence of both of the following:</p> <ul style="list-style-type: none"> • the acreage for which CCC-576 is filed was planted to the *--same forage type and intended use for grass or legume--* seed which a loss is being claimed for at least 3 out of 5 years before the year in which a loss is claimed • 1 of the following: <ul style="list-style-type: none"> • documentation to show that the producer is a licensed *--producer of certified grass or legume seed and/or plants • copy of contract to produce the specific type of grass or legume seed that was entered into on or before the acreage reporting date for the forage acreage being claimed, in the year in which the loss is claimed • evidence of grass or legume seed production, as applicable, from the forage acreage being claimed--* for at least 3 of the 5 years before the year in which a loss is being claimed <p>Note: See subparagraph F for acceptable evidence of acreage and seed production.</p>	<p>AUD value by determining the percent of loss using 1 of the methods provided in subparagraph 195 I for grazed forage.</p> <p>Note: Losses determined on AUD shall not be used for APH purposes.</p>

195 Grazed Forage Provisions (Continued)

***--J Independent Assessments of Grazed Forage Acreage Conditions (Continued)**

- should include, at a minimum, both of the following:
 - identification of the assessor, such as name, address, telephone number, and affiliated institution, agency, or company
 - statement or chronological narration of the basis for the assessor's determinations, including statements or chronologies addressing spontaneous or progressive changes in grazing conditions.

Assessments of grazed forage acreage conditions completed by anyone other than a forage specialist **not** having a financial interest in the outcome of the assessment shall **not** be:

- accepted by FSA
- used to determine a percentage of grazing loss in the area.

The following do **not** meet the requirements of an independent assessment for NAP purposes and shall **not** be used to establish a percentage of grazing loss in the area:

- assessments completed by anyone who is **not** a forage specialist
- assessments completed by anyone who has a financial interest in the outcome of the assessment, including anyone who was paid to complete the assessment
- opinions and input from a group of representatives from agencies or institutions that may have some knowledge of the grazing conditions in the area
- assessments that do **not** meet the minimum level of documentation to support the assessment, including attaching assessments to COC executive minutes
- 1 assessor agreeing with the assessment completed by another assessor without conducting their own assessment.--*

195 Grazed Forage Provisions (Continued)

K Establishing an Area

When there is no similar mechanically harvested forage acreage on the farm and no similar farms in the area with similar forage acreage that was mechanically harvested as forage for which an approved yield was calculated to determine loss under NAP, the percentage of grazing loss **must** be determined by obtaining 2 independent assessments of the grazed forage acreage conditions in the area.

--STC or COC may establish any of the following as an area for which the 2 independent-- assessments **must** be completed:

- entire county
- any part of a county that can clearly be delineated on a map, such as township boundaries, roads, rivers, or streams

Note: More than 1 part of a county may be established as an area; however, 2 independent assessments **must** be completed for each separate area.

- *--multiple counties within a State with similar forage types, soil types, topography, stocking rates, etc.

Note: COC authority is limited to those counties for which COC has decision making authority.

STC or COC shall **not** establish any of the following as an area for which the 2 independent assessments **must** be completed:

- individual producer's farms or portion of their farms
- only the acreage impacted by a natural disaster.

Example 1: Some acreage in a county was burned by fire. STC or COC shall **not** establish the area for which the 2 independent assessments **must** be completed to be the burned acreage **only**.

Example 2: Some acreage in a county was flooded by a rainstorm. STC or COC shall **not** establish the area for which the 2 independent assessments **must** be completed to be the flooded acreage **only**.

Example 3: STC or COC shall **not** establish the area for which the 2 independent--* assessments **must** be completed to be only the farm or portion of a farm of an individual producer.

Part 7 Notice of Loss**Section 1 CCC-576****401 Reporting Loss****A Overview**

CCC-576 documents:

- a producer's notice of loss or damage to a crop or commodity
- an explanation of what has been or will be done with the crop acreage or commodity
- a record of production
- an application for payment according to paragraph 502.

File and process CCC-576 according to the following:

- 2-CP, paragraph 24 for 2007 and future years prevented planted CCC-576's
- subparagraph B through G for all other CCC-576's.

B Filing CCC-576, Part B

[7 CFR 1437.10] A notice of loss must be provided for:

- *--prevented planting claims, 15 calendar days after the final planting date
- low yield claims and allowable value loss, the earlier of the following:
 - 15 calendar days after the damaging weather or disaster occurrence or date damage to the specific crop acreage is apparent to the producer for low yield claims
 - 15 calendar days after the normal harvest date.--*

An acreage report shall be filed for the total crop acres in CCC-576, item 17 A.

Notice of loss must be provided:

- timely
- on CCC-576, Part B
- for each weather related event or adverse natural occurrence that causes damage to or loss of the specific crop or commodity.

401 Reporting Loss (Continued)

* * *

C Late-Filed CCC-576, Part B

COC shall receive each CCC-576 and determine whether CCC-576, Part B has been filed according to subparagraph A. In the event CCC-576, Part B is determined filed beyond the period identified in subparagraph A, COC shall consider acceptable CCC-576's, that are filed at such time to permit:

- verification of the information on CCC-576, Part B by inspecting the specific acreage or crop involved
- COC or an authorized CCC representative the opportunity to determine, based on information obtained by inspection of the specific crop acreage, etc. that eligible disaster conditions, such as damaging weather or adverse natural occurrence as opposed to other factors, caused the claimed damage or loss.

CCC-576 **shall be denied** in each case where CCC-576, Part B is submitted beyond the period specified in subparagraph A and at a time that would not permit COC or an authorized representative the opportunity to inspect the specific crop acreage to verify the damage or extent of damage caused by the asserted disaster condition.

Note: The inspection must provide specific information about the damage or extent of damage to the specific crop acreage and not merely provide information on the existence of the crop acreage. The inspection must be completed within a reasonable amount of time to give the adjuster the opportunity to determine the percent of loss for that specific acreage.

In no case shall CCC-576, Part B filed beyond the period identified in subparagraph A be determined acceptable unless the criteria in this subparagraph are met. STC's and COC's do **not** have authority to waive the requirement for a field inspection of CCC-576, Part B filed beyond the period identified in subparagraph A. COC shall document its findings on each late-filed CCC-576.

***--Example:** Producer late-filed CCC-576, Part B on January 15, claiming grazing loss because of drought. Snow fell on December 20, before field inspection was performed. In this case, COC cannot approve the late-filed CCC-576, Part B because drought condition cannot be verified by a field visit.--*

503 Amount of Assistance

A Amount of NAP Assistance

See paragraph 26 for information on the amount of NAP assistance available for a qualifying loss.

B Average Market Price

DAFP-approved average market prices shall be used to calculate NAP assistance.

Exception: See subparagraph 183 I for ornamental nursery.

STC shall recommend average market prices according to paragraph 108.

C AUD Value

The applicable DAFP-established AUD value in the following table will be used to compute payments for losses of forage intended to be grazed.

Crop Year	AUD Value
2001	\$0.6787
2002	\$0.6599
2003	\$0.5772
2004	\$0.5374
2005	\$0.5304
2006	\$0.5746
2007	\$0.5950
2008	\$0.6359
2009	\$0.7034
--2010	\$0.8415--

D Payment Factors

[7 CFR 1437.11] DAFP-approved payment factors shall be used to calculate NAP assistance. STC shall recommend payment factors according to paragraph 109.

When calculating a payment for a unit’s qualifying loss, the DAFP-approved:

- prevented planting payment factor shall be applied to any eligible prevented planted acreage for payment

503 Amount of Assistance (Continued)

D Payment Factors (Continued)

- unharvested payment factor shall be applied to:
 - crop acreage planted but not harvested
 - any value loss crop's qualifying loss computed for payment

Exceptions: See subparagraph:

- 182 L for aquaculture
- 183 K for ornamental nursery.
- any loss of turfgrass sod
- *--any loss of honey--*
- any loss of * * * maple sap when the producer suffers a total loss of harvested production
- blueberry crop acreage:
 - not harvested
 - harvested by an individual or entity whose charge for harvest was based on the amount of blueberry production.

Note: For each CCC-576 involving blueberries, the applicant shall certify:

- whether the producer performed the producer's own harvest of blueberries, or whether blueberry harvest was performed by another individual or entity
- the basis for harvest expenses, such as cents per pound, dollars per acre, etc., if the producer contracted with another individual or entity to have blueberries harvested.

For crop acreage intended to be grazed, the unharvested payment rate is 1.000.

For crop acreage intended to be harvested, including intended for seed and excluding grazed, an unharvested payment rate recommended by STC and approved by DAFP shall be applied to all crop acreage abandoned or destroyed before harvest.

752 Rollover Process (Continued)

B Initial Download Process (Shell Records) (Continued)

The following NCT data from the 2005 crop year data was rolled to the 2006 crop year data *--for shell records. The status code for a rolled record is "R".--*

Crop Year Data	
Crop Type	Final Planting Date
Crop Code	Acreage Reporting Date
Practice Code	Normal Harvest Date
Planting Period	Application Closing Date
Intended Use	Graduated Price Code
County Code	

C 2006 Rollover

All 2005 crop year data is rolled to 2006 regardless of an approval flag to expedite the crop table process. The following crop data will be included in the 2006 NCT rollover with the option to change the following:

- practice code
- graduated price code
- planting period
- acreage reporting date
- normal harvest date
- final planting date
- application closing date
- prevented factor
- unharvested factor
- historical yield and price data
- acres per animal unit
- grazing days
- unit of measure.

752 Rollover Process (Continued)

D Historical Data

For 2001 NCT, an exception was made to not require historical data to be loaded before approving a crop record. For subsequent years, historical data must be entered in at least 1 year through the most current crop data year before approving the crop record.

Notes: For 2001, 2002, and 2003, NCT data can only be viewed.

For 2004 NCT, price and yield crop data for 1997 through 2002 will be displayed. The 1997 price and yield data will not be accessible to State and County Offices. However, State Offices will be able to update historical data previously loaded in the 2003 NCT for crops 1998 through 2001.

For 2005 NCT, price and yield crop data for 1998 through 2003 will be displayed. The 1998 price and yield data will not be accessible to State and County Offices. However, State Offices will be able to update historical data previously loaded in the 2004 NCT for crops 1999 through 2002. Historic data must be entered in at least crop data year 2003 when no other crop data is available. If historic data was entered in any previous years, historic data for all subsequent years is required.

For 2006 NCT, price and yield crop data for 1999 through 2004 will be displayed. The 1999 price and yield data will not be accessible to State and County Offices. However, State Offices will be able to update historical data previously loaded in the 2005 NCT for crops 2000 through 2003.

Example: Historic data has been entered for 2000; therefore, historic data must be entered for 2001, 2002, and 2003.

E Acres Per Animal Unit/Grazing Days (AUD)

With the exception of the AUD value and year, the NCT rollover process will consist of all data previously established by STC. For 2001 the AUD value was not defaulted. For 2002 and subsequent years, the NCT rollover process will update the AUD value according to subparagraph 503 C.

***--Note:** The AUD value for:

- 2006 is \$0.5746
- 2007 is \$0.5950
- 2008 is \$0.6359
- 2009 is \$0.7034
- 2010 is \$0.8415.--*