Center for Crop Diversification
Martin-Gatton College of Agriculture, Food and Environment

Center for Crop Diversification Fact Sheet
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Risk Management in Specialty Crops: Noninsured Crop Disaster Assistance Program (NAP)

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Introduction

The Noninsured Crop Disaster Assistance Program (NAP) is a financial assistance program provided through the USDA Farm Service Agency (FSA). The program provides producers of crops not eligible for crop insurance with some level of risk management when natural disasters cause crop low yields, crop losses or prevent crop planting.



Tomato early blight.

This fact sheet overviews NAP as it may relate to new and emerging crops in Kentucky. It has been written for educational purposes only and does not constitute legal or

business advice, nor is it intended to be a substitute for the services of a competent legal or business professional. For complete information about NAP and how it relates in a local situation, producers should contact their local FSA office and review NAP information available on the FSA website, including an updated FSA fact sheet with program details.

Program Eligibility

To be eligible for NAP, producers must produce and own eligible crops while meeting income requirements established by the USDA. Crops eligible for NAP may include:

• Fruit and vegetable, as well as feed and fiber crops not eligible for the catastrophic risk level of crop insurance

• Crops grown in a controlled environment (e.g. mushrooms and greenhouse crops)

• Specialty crops like honey, maple sap, Christmas trees, ginseng, ornamentals, and seed crops

The 2014 Farm Bill added sweet sorghum and sorghum for biomass to crops eligible for NAP coverage. The 2014 Farm Bill also added eligibility requirements for a producer's average adjusted gross income and limited total payments that can be received from crop insurance, including NAP.

Natural Disasters Meeting Requirements

According to the USDA, eligible natural disasters for NAP are as follows:

• Weather damage: drought, freeze, hail, moisture, wind, and hurricanes

• Adverse natural occurrences, such as earthquakes and floods

• Conditions related to adverse natural occurrences, including excessive heat, insect infestations and plant disease. Combinations of these conditions can also meet disaster qualification requirements.

How to Apply for NAP Coverage

Producers will need to work directly with their county Farm Service Agency office to apply and determine eligibility for NAP. Producers must complete a particular form (Form CCC-471), as well as pay a service fee. The service fee is $250 per crop or $750 per producer per administrative county, with a limit on the total paid by producers with

acreage in multiple counties.[1] Fee waivers may be available for farmers defined by USDA as beginning, limited resource or targeted underserved farmers.

Reporting Requirements

Producers must complete various annual requirements for reporting crop acreage, yields, and quality to remain eligible for disaster assistance under NAP. These requirements, as well as further determination for whether a certain crop is eligible for NAP, can be made by contacting the county FSA office where a producer is located. For newer applicants and crops in an area, FSA uses regional yield and price data to estimate loss coverage.



Septoria leaf spot in tomato.

Acreage reporting and final planting dates vary between crops, and there may also be differences by region. There are special recordkeeping and reporting requirements for some crops. Aquaculture, floriculture and ornamental nursery operations are required to maintain daily inventory levels, according to industry standards. Reporting requirements are also unique for beekeeping, Christmas trees, sod, maple syrup, mushrooms, ginseng and commercial seed or forage crops.

Complete information about NAP may be obtained from local FSA offices.

References/Resources:

• Noninsured Crop Disaster Assistance Program (USDA Farm Service Agency, 2016) https://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/noninsured-crop-disaster-assistance/index

- USDA Farm Service Agency: Kentucky http://www.fsa.usda.gov/FSA/stateoffapp?mystate=ky&area=home&subject=landing&topic=landing

[1]Terms as of 2016, subject to change.

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