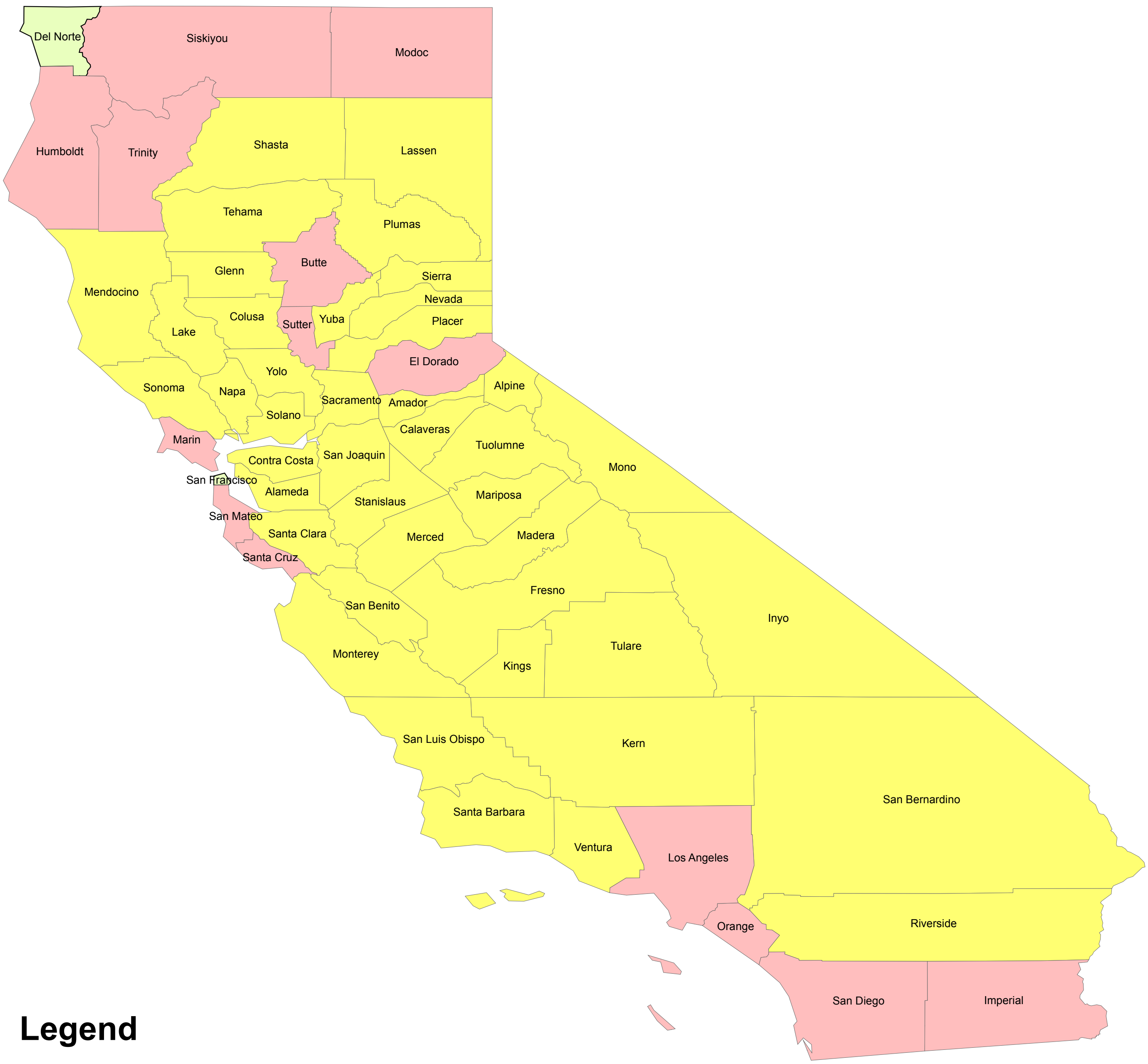
UNITED STATES DEPARTMENT OF AGRICULTURE

2007 Drought Disaster Counties



Legend

2007 Drought Designations

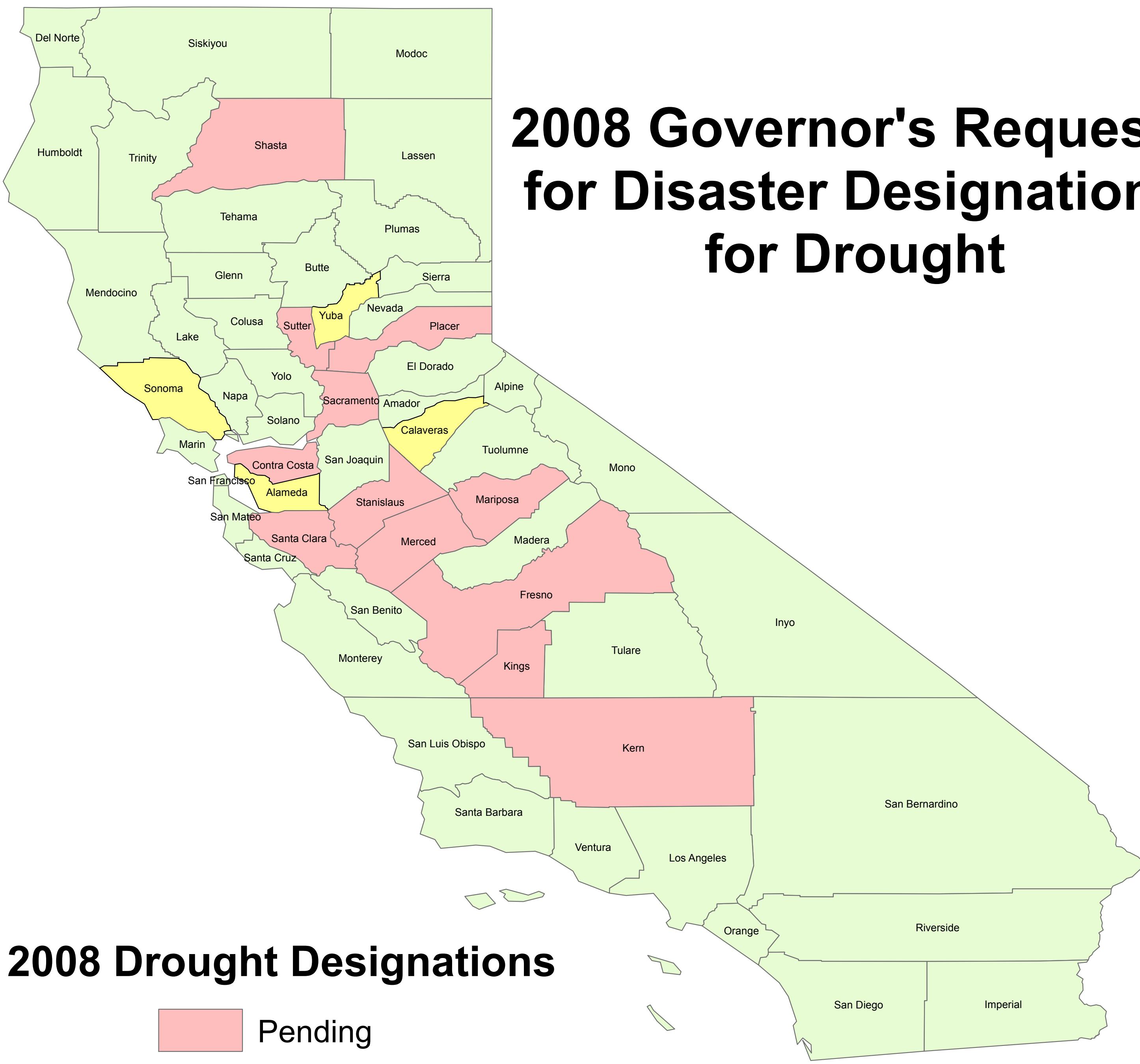
- Primary
- Contiguous
- Balance

N

As of July 14, 2008

UNITED STATES DEPARTMENT OF AGRICULTURE

2008 Governor's Requests for Disaster Designations for Drought



2008 Drought Designations

- Pending
- Approved
- no request

N

As of July 14, 2008

Fact Sheet *January 2008*

United States Department of Agriculture

Crop Disaster Program 2005-2007 (Quantity Losses)

Overview

The "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act) authorizes the Crop Disaster Program 2005-2007 (CDP). President Bush signed the 2007 Act into law on May 25, 2007. The 2007 Act charges U.S. Department of Agriculture (USDA) with implementing CDP.

On Dec. 26, 2007, President Bush signed the Consolidated Appropriations Act, 2008 (2008 Act), which extends CDP payments to eligible farmers who suffered 2007 crop losses throughout the 2007 crop year.

The USDA Farm Service Agency's (FSA) CDP provides benefits to farmers who suffered losses to the 2005-2007 crops from natural disasters and related conditions. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year for which to receive benefits. They may receive benefits for multiple crop losses if all were in the same crop year.

When and Where to Apply

Sign-up for quantity losses under CDP began Oct. 15, 2007, at local FSA service centers nationwide.

FSA will announce sign-up for quality losses under CDP as soon as possible.

FSA offices may accept information from producers about quality losses when producers submit applications for quantity losses. However, FSA will only consider quality loss applications complete after FSA announces the quality loss sign-up date and all other information necessary to determine eligibility is received by FSA. Also, FSA will not consider applications completed for any loss, including quantity losses, until a final rule has been issued for this program.

Eligibility

Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits.

Participants must have been in compliance with Highly Erodible Land Conservation and Wetland Conservation provisions for the applicable crop year.

A producer is ineligible to receive CDP payments if the FSA state committee, FSA county committee or an FSA official determines that the producer:

- committed, or attempted to commit, fraud; or
- did not have an ownership share of the crop.

FSA bases each eligible participant's share of a disaster payment on the participant's ownership entitlement share of the crop or crop proceeds, or, if no crop was produced, the share of the crop the participant would have received if the crop had been produced. If the participant has no ownership share of the crop, the participant is ineligible for assistance under CDP.

Eligible Damaging Conditions

A producer may be eligible for CDP if the crop losses resulted from any of the following:

- damaging weather, such as drought, excessive moisture, hail, freeze, tornado, hurricane, typhoon;
- an adverse natural occurrence, such as earthquake or flood; or
- a condition related to damaging weather or an adverse natural occurrence, such as excessive wind, excessive heat, saltwater intrusion, irrigation water rationing, disease or insect infestation.

Qualifying 2005, 2006 or 2007 Quantity Crop Losses

To receive CDP benefits for quantity losses, the FSA county committee must determine that, because of eligible damaging weather, the producer:

- was prevented from planting a crop;
- sustained a loss in excess of

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35 percent of the expected production of a crop; or
- sustained a loss in excess of 35 percent of the value for value-loss crops.

Rates and Yields; Calculating Payments

For yield-based crops, FSA calculates CDP payments by multiplying the payment rate established for the crop times 42 percent payment level (set by law) times the loss of production. The loss of production must exceed 35 percent of the expected production of the unit.

For value-loss crops, FSA calculates CDP payments by multiplying the payment rate established for the crop times 42 percent payment level times the loss of value that exceeds 35 percent of the expected production value of the unit.

Payment rates for 2005, 2006 or 2007 year crop losses will be:
- 42 percent of the maximum established USDA Risk Management Agency (RMA) price for insured crops; or
- 42 percent of the state average price for NAP covered crops.

In spite of differences in yield or values, FSA will not establish separate rates or yields for crops with different cultural practices, such as organically or “hydroponically” grown crops.

When calculating a payment for a unit loss, FSA:
- will apply a non-harvested payment factor to crop acreage planted but not harvested;
- will apply a prevented planting factor to any prevented planted acreage eligible for payment; and
- may adjust non-harvested payment factors if costs normally associated with growing the crop are not incurred.

Production Losses, Participant Responsibility

In determining production, participants must supply verifiable and reliable production records to substantiate production to the FSA county committee.

FSA uses RMA loss records for insured crops where available and determined to be accurate.

If RMA loss records are not available, the FSA county committee determines RMA loss records are inaccurate or incomplete or the FSA county committee makes inquiry, participants are then responsible for:
- retaining or providing the best verifiable and reliable production records available for the crop;
- summarizing all the production evidence;
- accounting for the total amount of unit production for the crop, whether or not records reflect this production;
- providing the information in a manner that can be easily understood by the FSA county committee; and
- providing supporting documentation if the FSA county committee questions the damaging weather event or that all production has been accounted for.

For eligible crops that were sold or otherwise disposed of through commercial channels, production records include: commercial receipts, settlement sheets, warehouse ledger sheets, or load summaries, and appraisal information from a loss adjuster acceptable to FSA. If the eligible crop was farm-stored, sold, fed to livestock or disposed of in means other than commercial channels, production records for these purposes include: third party truck scale tickets, appraisal information from a loss adjuster acceptable to FSA, contemporaneous diaries or other documentary evidence such as contemporaneous measurements.

Determining Production

FSA includes all harvested production, non-harvested appraised production and assigned production for the total planted acreage of the crop unit to determine production under CDP.

The production of eligible crop acreage harvested more than once in a crop year will include the total harvested production.

If a crop is appraised and subsequently harvested as the intended use, FSA will take into account the actual harvested production to determine benefits. FSA will determine whether the evidence of actual production represents

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all that could or would have been harvested.

The county committee will assign production for the unit when it determines that:

- the participant failed to provide adequate and acceptable production records;
- the loss to the crop is because of a disaster condition not covered under this program, or circumstances other than natural disaster, and there has not been an accounting of this ineligible cause of loss;
- the participant carries out a practice, such as multiple cropping, that generally results in lower yields than the established historic yields;
- the participant has a contract to receive a guaranteed payment for all or a portion of the crop;
- a crop was late-planted;
- non-harvested acreage was not timely appraised; or
- other appropriate causes exist for such assignment as determined by the FSA Deputy Administrator.

Calculation of Acreage

Acreage is calculated by using the number of insured or NAP-covered acres planted as a crop.

In cases of a repeat crop or multiple-planted crop in more than one planting period, or when multiple cropped acres meet established criteria, then each of these crops may be considered separate crops if the FSA county committee determines that all of the following conditions are met:

- both the initial and subsequent planted crops were planted with the intent to harvest;
- both the initial and subsequent planted crops were planted within the normal planting period for that crop;
- both the initial and subsequent planted crops meet all other eligibility provisions including good farming practices; and
- each planting could reach maturity if each planting was harvested or would have been harvested.

In cases where there is multiple-cropped acreage, each crop may be eligible for disaster assistance separately if the participant has verifiable records establishing a history of carrying out a successful multiple cropping practice on the specific crops for which assistance is requested.

Participants with multiple-cropped acreage not meeting the criteria must select the crop for which assistance will be requested. If more than one participant has an interest in the multiple cropped acreage, all participants must agree to the crop designated for payment by the end of the CDP application period or no payment will be approved for any crop on the multiple cropped acreage.

Calculation of Prevented Planted Acreage

Prevented-planted acreage will be considered separately from planted acreage of the same crop. Disaster payments for insured crops for prevented planted acreage shall not be made unless RMA or FSA documentation indicates that the eligible participant received a prevented planting payment under either the NAP- or RMA-administered program.

The participant must prove, to the satisfaction of the FSA county committee, an intent to plant the crop and that their crop could not be planted because of an eligible disaster.

Prevented planted disaster benefits do not apply to:

- acreage not insured or NAP-covered;
- any acreage on which a crop other than a cover crop was harvested, hayed or grazed during the crop year;
- any acreage for which a cash lease payment is received for the use of the acreage the same crop year unless the county committee determines the lease was for haying and grazing rights only and was not a lease for use of the land;
- acreage for which the participant or any other person received a prevented planted payment for any crop for the same acreage, excluding share arrangements; and
- acreage for which the participant cannot provide verifiable proof to the FSA county committee that inputs such as seed, chemicals and fertilizer were available to plant and produce a crop with the ex-

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pectation of producing at least a normal yield.

Crop acreage reports that were filed late for prevented planted acreage in previous years shall not be accepted for CDP purposes.

Value Loss Crops

Benefits under CDP are calculated based on the loss of value at the time of the damaging weather or related condition, as determined by FSA.

Value loss crops are nursery, Christmas trees, vegetable sets and root stock (including ginseng root), aquaculture (including ornamental fish), floriculture, mushroom and other such crops as determined appropriate.

For vegetable sets and root stock, benefits are limited to plants grown in a container and controlled environment for use as transplants or root stock by the applicant for commercial sale on property owned or leased by the applicant and managed using good rootstock or fruit and vegetable plant growing practices.

Payment Limitations

The maximum CDP benefits a person may receive is $80,000. Producers eligible for CDP can also receive benefits under the Livestock Compensation Program 2005-2007.

A participant may receive benefits for crop losses for only one of the 2005, 2006 or 2007 crop years. Payments will be made not later than 60 days after a producer files completed applications necessary for FSA to determine producer eligibility for benefits.
No participant shall receive CDP benefits in an amount that exceeds 95 percent of the value of the expected production for the relevant period as estimated by the Secretary of Agriculture. The sum of the value of the crop not lost (if any), the CDP payment received and any crop insurance payment or payments received under the NAP for losses to the same crop cannot exceed 95 percent of what the crop's value would have been if there had been no loss.

For More Information

For more information about FSA and its programs, visit your local USDA Service Center or online at: http://www.fsa.usda.gov.

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Crop Disaster Program 2005-2007 (Quality Losses)

Overview

The U.S. Department of Agriculture Farm Service Agency's (FSA) Crop Disaster Program 2005-2007 (CDP) provides benefits to farmers who suffered quality losses (as well as quantity losses) from natural disasters and related conditions to 2005, 2006 or 2007 crops. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year for which to receive benefits. They may receive benefits for multiple crop losses if all were in the same crop year.

The "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act) authorizes CDP. President Bush signed the 2007 Act into law on May 25, 2007. The 2007 Act charges USDA with implementing CDP.

On Dec. 26, 2007, President Bush signed the Consolidated Appropriations Act, 2008, which extends CDP payments to eligible farmers who suffered 2007 crop losses throughout the 2007 crop year.

When and Where to Apply

Farmers may apply to receive CDP quality loss benefits by visiting their local FSA service center beginning June 23, 2008.

Eligibility Requirements

To receive CDP benefits for quality losses, farmers must have:

- had crop insurance or been covered under the Noninsured Crop Disaster Assistance Program (NAP) for the disaster year that the quality loss occurred;
- suffered quality losses to an eligible 2005, 2006 or 2007 crop;
- complied with Highly Erodible Land Conservation and Wetland Conservation provisions for the 2005, 2006 and 2007 crop year; and
- been entitled to an ownership share of the crop.

FSA may make CDP payments for losses suffered by an eligible participant who is a dissolved entity if a representative, with proper authority to enter into a contract, signs the CDP application.

Persons attempting to falsify or misrepresent information submitted to receive CDP assistance are ineligible for CDP payments. FSA will recalculate payments distributed to persons found to have submitted incorrect information. Those individuals are responsible for repaying excess funds with interest beginning from the date that FSA distributed the payment. All persons with a financial interest in the operation who receive CDP funds improperly are responsible for any refund.

Calculating Payments

Producers are eligible for CDP assistance for quality losses of at least 25 percent. All crops are eligible for quality losses except for value loss crops and some specialty crops. Value loss crops ineligible for quality losses include aquaculture, floriculture, mushrooms, ginseng root, ornamental nursery and Christmas trees. Specialty crops ineligible for quality losses include honey, maple sap and turf grass sod.

Quality loss payments will be 65 percent of the amount of the affected crop (limited to the expected production based on harvested acres) multiplied by 42 percent of the per-unit average market value (based on percentage of the quality loss for the crop).

FSA will base payment rates on five broad loss levels, determined as shown in the chart that follows.

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Level	For estimated quality loss ranges (percentage)	The following percentages of *established prices are used:
I	25.0 and 34.9	30
II	35.0 and 54.9	45
III	55.0 and 74.9	65
IV	75.0 and 94.9	85
V	95.0 and 100.0	95

* Established prices are marketing contract prices, catastrophic risk protection, Actual Production History prices or 5-year average prices.

Example:

A farmer with 45 acres produces a normal yield from his 2007 corn crop of 175 bushels. However, due to extreme weather conditions, the quality was affected down to a Level IV. Using the 2007 corn price of $3.50 per bushel, the farmer's quality payment would be $6,395.88.

(45 acres x 175 bushels x 85% Level IV x 65% of amount affected x $3.50 crop price x 42% per-unit average market value = $6,396)

Marketing Contracts

Production of a commodity sold under a marketing contract is eligible for CDP quality loss benefits based on one or more prices specified in the contract. When there are multiple marketing contract prices, FSA will calculate a weighted average to determine a single blended price.

Marketing contracts must either specify quality standards or a method to determine quality standards from published third party data.

Also, the farmer must have produced the commodity in the crop year specified in the contract for FSA to consider a commodity sold pursuant to the marketing contract. In addition, the commodity must have either been sold under the terms of the contract or the participant attempted to deliver the commodity to the purchaser, but the commodity was rejected because of quality factors specified in the contract.

Quality Losses, Participant Responsibility

In determining affected production, participants must supply verifiable production records to substantiate the level of quality loss to the FSA county committee.

Verifiable production records must include the quantity of production, indicate level of quality loss and the price.

All marketing contracts for a crop must be provided for production sold under a marketing contract.

Verifiable production records include, but are not limited to: commercial receipts, settlement sheets, warehouse ledger sheets, load summaries or acceptable forage test.

Economic Loss

In order to qualify for payment, the value of quality-affected production must have been reduced by at least 25 percent compared to its value if the crop had not suffered a quality loss. Economic loss is determined at the level for which verifiable records exist, such as bale, truckload or bin.

Payment Limitations

Each farmer may receive no more than $80,000 in CDP benefits. Producers may receive CDP benefits for only one crop year.

Producers may receive up to 95 percent of the value of the expected production for the relevant period.

Individuals or entities whose adjusted gross income exceeds $2.5 million are ineligible for CDP benefits, unless 75 percent or more of their income is derived from agriculture.

Farmers receiving CDP payments will have their benefits reduced by the amount they received under

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the Hurricane Indemnity Program, Hurricane Disaster Programs, 2005 Louisiana Sugarcane Hurricane Disaster Assistance Program or 2005 Crop Florida Sugarcane Disaster Program.

For More Information

For more information about FSA and its programs, visit your local FSA service center or online at: http://www.fsa.usda.gov.

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Fact Sheet September 2007

USDA United States Department of Agriculture

Livestock Compensation Program 2005-2007

Overview

The U.S. Department of Agriculture's Farm Service Agency (FSA) Livestock Compensation Program 2005-2007 (LCP) provides benefits to livestock and catfish producers who suffered feed losses or incurred additional feed costs directly resulting from natural disasters occurring between Jan.1, 2005, and Dec. 31, 2007, including losses because of blizzards that started in 2006 and continued into January 2007. Livestock producers may elect to receive compensation for losses in the calendar year 2007 grazing season that are attributable to wildfires occurring during the applicable period, as determined by the U.S. secretary of agriculture.

The "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act) authorizes LCP. President Bush signed the 2007 Act into law on May 25, 2007. The 2007 Act charges USDA with implementing LCP. The 2007 Act provided LCP benefits for livestock producers who suffered feed losses between Jan. 1, 2005, and Feb. 28, 2007. On Dec. 26, 2007, President Bush signed the Consolidated Appropriations Act 2008, which extends LCP payments to eligible ranchers who suffered livestock feed losses throughout the 2007 crop year before Dec. 31, 2007.

LCP provisions are similar to those administered under the 2005 Hurricanes Livestock Compensation Program implemented in 2006.

Eligible Counties

Producers in primary or contiguous counties declared secretarial disaster areas or counties declared presidential disaster areas between Jan. 1, 2005, and Dec. 31, 2007, are eligible.

Also, producers in primary counties (and contiguous counties) that received an approved Administrator's Physical Loss Notification (APLN), when the APLN is directly associated to a natural disaster designated by President Bush, are eligible.

A list of counties eligible for LCP may be found at: http://disaster.fsa.usda.gov.

Eligible Livestock

To be eligible under LCP, livestock must:

- be dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep, goats, swine or deer that;
- have been physically located in an eligible county on the beginning date of the applicable disaster period;
- have been maintained for commercial use as part of a farming operation on the beginning date of the disaster period; and
- not have been produced and maintained for reasons other than commercial use as part of a farming operation. Such excluded uses include, but are not limited to, wild free roaming animals or animals used for recreational purposes such as pleasure, hunting, pets, roping or for show.

Eligible Producers

To be eligible for LCP, producers must have:

- either owned or cash-leased eligible livestock (but not both for the same livestock) on the beginning date of the applicable disaster period(s); and
- suffered an eligible feed loss from produced or purchased forage or feedstuffs, or incurred additional feed costs as a result of an eligible disaster event(s) during the applicable disaster period(s) and the feed lost or additional incurred feed costs were intended for use with eligible livestock.

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Payments

FSA will calculate LCP payments by multiplying the national payment rate for each livestock category (found near the end of this fact sheet) by the number of eligible livestock in each category. The national payment rate represents 61 percent of the cost for corn needed to maintain the specific livestock for 30 days, as determined by FSA.

Producers will not be penalized if they reduced the average number of livestock they owned for grazing during the production year for which assistance is being provided. Producers incurring a loss in more than one of the 2005, 2006 or 2007 calendar years must choose only one year for which they want to receive benefits.

The livestock categories are:
- adult beef cows or bulls;
- non-adult beef cattle, 500 pounds or more;
- adult buffalo or beefalo cows or bulls;
- non-adult buffalo or beefalo, 500 pounds or more;
- adult dairy cows or bulls;
- non-adult dairy cattle, 500 pounds or more;
- goats;
- sheep;
- swine - less than 45 pounds
- swine - 45 to 124 pounds
- swine – 125 to 234 pounds
- swine – sow – 235 pounds or more
- swine – boar – 235 pounds or more;
- equine;
- reindeer;
- elk;
- poultry – less than 3 pounds
- poultry – 3 to 7.9 pounds
- poultry – 8 pounds or more; and
- deer.

Producers may not receive duplicate benefits under LCP for the same loss or any similar loss if they previously received payments under the 2005 Feed Indemnity Program (FIP), 2005 Hurricanes Livestock Compensation Program (LCP), or the 2006 Livestock Assistance Grant Program (LAGP). If a producer received benefits under the 2005 FIP and/or 2005 Hurricanes LCP administered in 2006, the producer will have his/her LCP benefits reduced by the same amount if the producer applies for benefits in calendar year 2005. A producer who applies for benefits under LCP in calendar year 2006 will have their LCP payment reduced by the amount of payment received under the 2006 LAGP.

LCP benefits may not exceed the smaller of the calculated payment rate or the value of the feed loss as determined by FSA. Producers may receive no more than $80,000 under LCP. An individual or entity whose average adjusted gross income exceeds $2.5 million for the three years immediately preceding the calendar year for which benefits are requested, is ineligible for LCP benefits unless 75 percent or more of their income is from agriculture.

Catfish Grant Program 2005-2007

Under the Catfish Grant Program 2005-2007 (CGP), USDA will provide grants to states having catfish producers who suffered catfish feed losses. USDA will not administer CGP. Governors or their designees will announce sign-up dates and application procedures for the catfish feed loss program and distribute program payments.

Sign-up

Sign-up for LCP began Sept. 10, 2007. Livestock producers must submit applications in their administrative county FSA office.

Applying for LCP

Livestock producers applying for LCP must submit the following:
- a completed application in their administrative county FSA office;
- adequate proof, as determined by FSA, that the feed loss or incurred additional feed costs:
  - were for the claimed eligible livestock;
  - occurred as a direct result of an eligible disaster event(s) during an eligible disaster period(s) in the calendar year for which benefits are being requested;
  - other supporting documentation necessary to determine the applicant’s eligibility. Supporting documents may include, but are not limited to, verifiable purchase records, veterinarian records, bank

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  or other loan papers, rendering truck receipts, Federal Emergency Management Agency records, National Guard records, written contracts, production records, Internal Revenue Service records, property tax records, private insurance documents, sales records, and similar documents; and
  - □ the application must be filed during the application period.

Other application guidelines include:

- payments may be made for eligible losses suffered by an eligible producer who is now deceased, or a dissolved entity if a currently authorized representative signs the application for payment. Proof of authority to sign for a deceased individual or dissolved entity must be provided. If a producer is a dissolved entity, all former members of the entity at the time of dissolution or their duly authorized representative(s) must sign the application for payment;
- data furnished by the applicant will be used to determine eligibility for program benefits;
- a minor is eligible to apply for program benefits if all eligibility requirements are met and one of the following conditions exist:
  - □ the right of majority has been conferred upon the minor by court proceedings or statute;
  - □ a guardian has been appointed to manage the minor's property and the applicable program documents are executed by the guardian; or
  - □ a bond is furnished under which a surety guarantees any loss incurred for which the minor would be liable as an adult.

National Payment Rates

The chart at the end of this fact sheet provides the per head LCP national payment rates, by livestock category.

For More Information

For more information about FSA and its programs, visit your local USDA Service Center or online at: http://www.fsa.usda.gov.

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National Payment Rates			
Kind of Livestock	**Type**	**Weight Range**	**2005/2006/2007 Payment Per Head**
Beef	Adult	Cows and Bulls	$10.66
	Non-adult	500 pounds or more	$8.00
Dairy	Adult	Cows and Bulls	$27.72
	Non-adult	500 pounds or more	$8.00
Buffalo/ Beefalo	Adult	Cows and Bulls	$10.66
	Non-adult	500 pounds or more	$8.00
Sheep	All		$2.67
Goats	All		$2.67
Deer	All		$2.67
Equine	All		$7.89
Swine		Less than 45 pounds	$0.32
		45 to 124 pounds	$0.74
		125 to 234 pounds	$1.28
	Sow	235 pounds or more	$4.37
	Boar	235 pounds or more	$2.56
Elk		Less than 400 pounds	$2.35
		400 pounds to 799 pounds	$4.37
		800 pounds or more	$5.76
Poultry	All	Less than 3 pounds	$0.07
	All	3 pounds to 7.9 pounds	$0.13
	All	8 pounds or more	$0.31

Farm Service Agency

Fact Sheet *September 2007*

United States Department of Agriculture

Livestock Indemnity Program 2005-2007

Overview

The U.S. Department of Agriculture's Farm Service Agency (FSA) Livestock Indemnity Program 2005-2007 (LIP) provides benefits to livestock producers for livestock deaths caused by natural disasters that occurred between Jan. 1, 2005, and Dec. 31, 2007, including losses because of blizzards that started in 2006 and continued into January 2007.

The "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act) authorizes LIP. President Bush signed the bill into law on May 25, 2007. The 2007 Act provided LIP benefits for livestock producers who suffered livestock losses between Jan. 1, 2005, and Feb. 28, 2007. On Dec. 26, 2007, President Bush signed the Consolidated Appropriations Act, 2008, which extends LIP payments to eligible ranchers who suffered livestock losses throughout the 2007 crop year before Dec. 31, 2007.

LIP provisions are similar to those of other livestock indemnity programs implemented by FSA in recent years.

Eligible Counties

To be eligible for LIP, an owner or contract grower's livestock must have been located in a county or contiguous county designated a natural disaster by the president or declared by the U.S. secretary of agriculture between Jan. 1, 2005, and Dec. 31, 2007. Also, producers in counties and contiguous counties that received an approved Administrator's Physical Loss Notification (APLN), when the APLN is directly associated to a natural disaster designated by President Bush, are eligible.

A list of counties eligible for LIP may be found at: http://disaster.fsa.usda.gov.

Livestock producers incurring livestock losses in more than one of the 2005, 2006 and 2007 calendar years may only select one year in which to receive assistance.

Eligible Livestock Owners

To be eligible for LIP, a livestock producer must have legally owned the eligible livestock on the day the livestock died.

Owners of the following types of livestock may be eligible for LIP:

- adult beef bulls;
- adult beef cows;
- adult buffalo or beefalo bulls;
- adult buffalo or beefalo cows;
- adult dairy bulls;
- adult dairy cows;
- catfish;
- chickens, broilers, pullets;
- chickens, chicks;
- chickens, layers, roasters;
- crawfish;
- deer;
- ducks;
- ducks, ducklings;
- equine;
- geese, goose;
- geese, gosling;
- goats, bucks;
- goats, does;
- goats, slaughter goats/kids;
- non-adult beef cattle;
- non-adult buffalo/beefalo;
- non-adult dairy cattle;
- reindeer;
- sheep, ewes;
- sheep, lambs;
- sheep, rams;
- swine, feeder pigs under 50 pounds;
- swine, lightweight barrows and gilts 50 to 150 pounds;
- swine, sows, boars, barrows, gilts 151 to 450 pounds;
- swine, sows, boars over 450 pounds;
- turkeys, poults; and
- turkeys, toms, fryers, and roasters.

To be eligible for LIP, an owner's livestock must have also met the following conditions. The livestock must:

- have died in an eligible county as a direct result of an eligible disaster event(s):

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  - after Jan. 1, 2005, and before Dec. 31, 2007;
  - no later than 60 calendar days from the ending date of the applicable disaster period(s) but before Dec. 31, 2007; and
  - in the calendar year for which benefits are requested.
- have been maintained for a commercial farming operation on the day they died; and
- not have been produced for reasons other than commercial farming. This includes wild free roaming animals or animals used for recreational purposes, such as hunting, pets, roping or for show.

Eligible Livestock of Contract Growers

To be eligible for LIP, a contract grower must have had the following on the day the livestock died:
a written agreement with the eligible livestock owner setting the specific terms, conditions and obligations of the parties involved regarding the production of livestock; and
control of the eligible livestock on the day the livestock died.

Contract growers of the following types of livestock may be eligible for LIP:
- chickens, broilers, pullets;
- chickens, layers, roasters;
- geese, goose;
- swine, boars, sows;
- swine, feeder pigs;
- swine, lightweight barrows, gilts;
- swine, sows, boars, barrows, gilts; and
- turkeys, toms, fryers, roasters.

To be eligible for LIP, a contract grower's livestock also must have met the following conditions. The livestock must:
- have been poultry or swine (as defined above);
- have died in an eligible county as a direct result of an eligible disaster event(s);
  - after Jan. 1, 2005, and before Dec. 31, 2007;
  - no later than 60 calendar days from the ending date of the applicable disaster period(s) but before Dec. 31, 2007; and
  - in the calendar year for which benefits are requested.
- have been maintained for commercial use as part of a farming operation on the day they died; and
- not have been produced for reasons other than commercial farming. This includes wild free roaming animals or animals used for recreational purposes, such as hunting, pets or for show.

Payments

USDA calculates LIP payments by multiplying the national payment rate for each livestock category by the number of eligible livestock in each category. National payment rates are found at the end of this fact sheet.

USDA bases the LIP national payment rate for eligible livestock owners on 26 percent of the average fair market value of the livestock.

USDA bases the LIP national payment rate for eligible livestock contract growers on 26 percent of the average income loss sustained by the contract grower with respect to the dead livestock.

USDA will reduce an owner or contract grower's LIP payment by the amount they received through similar livestock and aquaculture disaster aid programs administered by USDA in recent years. USDA also will reduce a contract grower's LIP payment by the amount of monetary compensation they received from their contractor for the loss of income suffered from the death of livestock under contract.

Producers may receive a maximum of $80,000 in LIP benefits. Also, an individual or entity whose average adjusted gross income exceeds $2.5 million for the three years immediately preceding the calendar year for which benefits are requested is ineligible for LIP benefits unless 75 percent or more of their income is from agriculture.

Sign-up

Producers may apply to receive LIP benefits at local FSA service centers beginning Sept. 10, 2007.

Applying for LIP

Producers should submit completed LIP applications to the local FSA service center that maintains the farm records for their business. The producer should include a copy of the grower contract if they are a contract grower and any other supporting documents required for

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determining eligibility. Supporting documents must show evidence of loss, current physical location of livestock in inventory, and location of the livestock at the time of death.

Payments may be made for eligible losses suffered by an eligible producer who is now deceased or for a dissolved entity if a currently authorized representative signs the application for payment. Proof of authority to sign for a deceased individual or dissolved entity must be provided. If a producer is a dissolved entity, all former members at the time of dissolution or their duly authorized representative(s) must sign the application for payment.

A minor child may apply for program benefits if all eligibility requirements are met and one of the following conditions exists:

- the right of majority has been conferred upon the minor by court proceedings or statute;
- a guardian has been appointed to manage the minor's property and the applicable program documents are executed by the guardian; or
- a bond is furnished under which a surety guarantees any loss incurred for which the minor would be liable had the minor been an adult.

Applicants must provide adequate proof that the eligible livestock deaths occurred in an eligible county as a direct result of an eligible disaster event during the applicable disaster period. The quantity and kind of livestock that died as a direct result of the eligible disaster event may be documented by: purchase records, veterinarian records, bank or other loan papers, rendering truck receipts, Federal Emergency Management Agency records, National Guard records, written contracts, production records, Internal Revenue Service records, property tax records, private insurance documents, and similar documents.

FSA will accept certifications of livestock deaths by third parties if the following conditions are met:

- the livestock owner or livestock contract grower, as applicable, certifies in writing:
  - that there is no other documentation of death available;
  - the number of livestock were in inventory at the time of the disaster; and
- the third party provides their telephone number, address and a written statement containing:
  - specific details about their knowledge of the livestock deaths;
  - their affiliation with the livestock owner; and
  - the accuracy of the deaths claimed by the livestock owner.

FSA will use data furnished by the applicant to determine eligibility for program benefits. Furnishing the data is voluntary; however, without all required data program benefits will not be approved or provided.

National Payment Rates

The following provides LIP per head payment rates by livestock category for eligible owners. (See chart on pages 4 and 5 of this fact sheet.)

The following provides per head payment rates by livestock category for eligible livestock contract growers. (See chart on page 5 of this fact sheet.)

For More Information

For more information about FSA and its programs, visit your local USDA Service Center or online at: http://www.fsa.usda.gov.

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LIP Per Head National Payment Rates by Category for Eligible Livestock Owners

Kind	Type	Weight Range	2005 Payment Per Head	2006/2007 Payment Per Head
Beef	Nonadult	Less than 400 pounds	$132.03	$130.08
		400 pounds or more	$173.07	$167.20
	Adult	Cow	$260.33	$244.46
		Bull	$338.43	$317.80
Dairy	Nonadult	Less than 400 pounds	$117.00	$112.78
		400 pounds or more	$234.00	$225.55
	Adult	Cow	$468.00	$451.10
		Bull	$468.00	$451.10
Buffalo/ Beefalo	Nonadult	Less than 400 pounds	$79.22	$78.05
		400 pounds or more	$129.80	$125.40
	Adult	Cow	$156.20	$146.68
		Bull	$390.00	$390.00
Swine	Boars/Sows	Over 450 pounds	$56.37	$45.19
	Sows/Boars/Barrows/Gilts	151 to 450 pounds	$27.68	$24.36
	Lightweight Barrows/Gilts	50 to 150 pounds	$21.77	$19.21
	Feeder Pigs	Under 50 pounds	$15.86	$14.07
Sheep	Rams		$11.73	$8.99
	Ewes		$11.73	$8.99
	Lambs		$28.60	$24.36

Chart for LIP Per Head National Payment Rates by Category for Eligible Livestock Owners continues on the next page.

Goats	Bucks		$23.45	$17.97
	Does		$23.45	$17.97
	Slaughter goats/kids		$28.60	$24.36
Chickens	Layers/Roasters		$1.68	$1.95
	Broilers/Pullets		$0.61	$0.55
	Chicks		$0.05	$0.06
Turkeys	Toms/Fryers/Roasters		$3.28	$3.52
	Poults		$0.29	$0.29
Ducks	Ducks		$0.97	$0.97
	Ducklings		$0.16	$0.16
Geese	Goose		$4.48	$4.42
	Gosling		$0.94	$0.93
Deer			$140.40	$140.40
Equine			$195.00	$195.00
Reindeer			$169.00	$169.00

LIP Per Head National Payment Rates by Category for Eligible Livestock Contract Growers

Kind	Type	Weight Range	2005 Payment Per Head	2006/2007 Payment Per Head
Chickens	Layers/Roasters		$0.10	$0.12
	Broilers/Pullets		$0.07	$0.06
Turkeys	Toms/Fryers/Roasters		$0.36	$0.39
Ducks	Ducks		$0.11	$0.11
Geese	Goose		$0.49	$0.49
Swine	Boars/Sows	Over 450 pounds	$23.17	$18.57
	Sows/Boars/Barrows/Gilts	151 to 450 pounds	$4.16	$3.66
	Lightweight Barrows/Gilts	50 to 150 pounds	$3.27	$2.89
	Feeder Pigs	Under 50 pounds	$1.80	$1.60

USDA NEWS RELEASE

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Release No. 0182.08

BUY-IN WAIVER FOR SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE PROGRAMS UNDERWAY IN NEW FARM BILL

WASHINGTON, July 11, 2008 - USDA's Farm Service Agency (FSA) will allow producers who would otherwise be ineligible for the new disaster assistance programs to become eligible by paying a fee as required by the Food, Conservation and Energy Act of 2008 (the 2008 Act).

The 2008 Act requires producers who wish to participate in the new disaster programs to have crop insurance or non-insured crop disaster assistance (NAP) coverage for the land for which assistance is being requested, and for all farms in all counties in which they have an interest. Since the 2008 Act was enacted after the application periods had closed for those programs, producers who did not have such coverage could not comply with this requirement in order to be eligible for the new disaster programs. However, the 2008 Act authorizes a waiver that allows producers to pay a fee, called a "buy-in" fee, to be eligible for this new disaster assistance.

Every producer whose crops, including grazing lands, are not fully covered by crop insurance or NAP may take advantage of this one-time opportunity. The buy-in fee is due no later than Sept. 16, 2008, 90 days after the date of enactment, as required by the 2008 Act. Those who miss this opportunity will not be eligible for disaster assistance. Producers are also reminded that the payment of the applicable buy-in fee does not afford the producer crop insurance or NAP coverage; it only affords eligibility for the 2008 disaster programs.

The crop insurance and NAP coverage requirements will be waived in 2008 for producers who did not obtain crop insurance or NAP coverage by the applicable sales closing date, if the producer files an application for waiver and pays a buy-in fee in an amount equal to the 2008 applicable NAP coverage or catastrophic risk protection plan fee for the crop or grazing lands.

Producers who meet the definition of “Socially Disadvantaged, Limited Resource," or "Beginning Farmer or Rancher," do not have to meet the Risk Management Purchase Requirement, and, therefore, are not required to pay the buy-in fee.

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The buy-in fee for 2008 eligibility only for either the catastrophic risk protection insurance (CAT) or NAP is $100 per crop, but not more than $300 per producer per administrative county, or $900 total per producer for all counties less any previously paid fees for CAT and/or NAP. Producers can contact their local administrative FSA County Office to file the application for waiver and pay the applicable fees.

The applicable buy-in form must be completed and applicable fees paid by Sept. 16, 2008. Payment of the applicable fees will allow the producer to be eligible for benefits for losses under Supplemental Revenue Assistance Payments (SURE) Program, Livestock Forage Disaster Program (LFP), Tree Assistance Program (TAP), and Emergency Assistance Livestock, Honeybees and Farm-Raised Fish Program (ELAP).

The 2008 Act authorizes funds to be used to make payments to farmers and ranchers incurring eligible crop production/quality losses under the SURE Program, grazing losses under LFP, livestock death losses under LIP, and losses suffered by producers of livestock, honeybees, and farm-raised fish under ELAP. The 2008 Act also authorizes TAP.

To be eligible for SURE, TAP, and ELAP, producers must meet the Risk Management Purchase Requirement by purchasing at least the CAT level of crop insurance for all insurable crops and/or NAP coverage for non-insurable crops. To be eligible for LFP, producers must meet the Risk Management Purchase Requirement by purchasing or obtaining for the grazing land incurring the losses where assistance is being requested, a policy or plan of insurance under the Federal Crop Insurance Act, including pilot programs such as the Pasture, Rangeland, Forage Program (PRF) or NAP coverage by filing the required paperwork and paying the administrative fee by the applicable State filing deadline. The Risk Management Purchase Requirement does not apply to LIP.

The SURE program will be available to eligible producers on farms in disaster counties, designated by the Secretary, including contiguous counties that have incurred crop production losses and/or crop quality losses during the crop year. However, Congress determined that payments would not occur until the calculation at the end of the marketing year. It also will be available to any farm where, during the calendar year, the total loss of production on the farm, because of weather, is greater than 50 percent of the normal production of the farm.

The LFP program will be available to eligible livestock producers who suffered grazing losses for eligible livestock, because of drought on land that is either native or improved pastureland with permanent vegetative cover or planted to a crop specifically for providing grazing. The LFP program will also be available to eligible livestock producers who suffered grazing losses for eligible livestock, because of fire on rangeland managed by a Federal agency, if the eligible livestock producer is prohibited from grazing the normal permitted livestock on the managed rangeland.

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The LIP program will be available to eligible livestock producers on farms that have incurred livestock death losses in excess of normal mortality, because of adverse weather, as determined by the Secretary during the calendar year, including losses because of hurricanes, floods, blizzards, disease, wildfires, extreme heat and extreme cold.

The TAP program provides assistance to orchardists and eligible nursery tree growers who produce nursery, ornamental, fruit, nut or Christmas trees for commercial sale that lost trees, bushes, or vines, because of a natural disaster, as determined by the Secretary.

The ELAP program will provide emergency relief to producers of livestock, honey bees and farm-raised fish, because of losses from adverse weather or other conditions, such as blizzards and wildfires, as determined by the Secretary.

Because Congress did not provide a rulemaking exception for these programs, FSA must first publish a proposed rule seeking public comment, followed by a final rule. FSA is working to develop detailed regulations and software for these programs. Sign up for these programs is not expected to be held until this winter.

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FSA's news releases are available on the Web at FSA's home page: http://www.fsa.udsa.gov.

Fact Sheet January 2007

USDA United States Department of Agriculture

Noninsured Crop Disaster Assistance Program

Overview

USDA's Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory or prevented planting occurs due to natural disasters.

Eligible Producers

An eligible producer is a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop. The annual gross revenue of the eligible producer, and any individual or entity combined as one "person" with the eligible producer, cannot exceed $2 million.

Eligible Crops

To be eligible for NAP assistance, crops must be noninsurable crops and agricultural commodities for which the catastrophic risk protection level of crop insurance is not available, and must be any of the following commercially produced crops:

- crops grown for food;
- crops planted and grown for livestock consumption, including, but not limited to, grain and forage crops, including native forage;
- crops grown for fiber, such as cotton and flax (except for trees);
- crops grown under a controlled environment, such as mushrooms and floriculture;
- specialty crops, such as honey and maple sap;
- value loss crops, such as aquaculture, Christmas trees, ginseng, ornamental nursery and turfgrass sod;
- sea oats and sea grass; and
- seed crops where the propagation stock is produced for sale as seed stock for other eligible NAP crop production.

Please contact a crop insurance agent if you have questions regarding whether a crop is insurable in your county. For further information on whether a crop is eligible for NAP coverage, please contact your local FSA office.

Eligible Natural Disasters

An eligible natural disaster is any of the following:

- damaging weather, such as drought, freeze, hail, excessive moisture, excessive wind or hurricanes;
- an adverse natural occurrence, such as earthquake or flood; or
- a condition related to damaging weather or an adverse natural occurrence, such as excessive heat, disease or insect infestation.

The natural disaster must occur before or during harvest and must directly affect the eligible crop.

Applying for Coverage

Eligible producers must apply for coverage of noninsurable crops using Form CCC-471, "Application for Coverage," and pay the applicable service fees at their local FSA office. The application and service fees must be filed by the application closing date as established by the producer's FSA state committee. The service fee is the lesser of $100 per crop or $300 per producer per administrative county, not to exceed a total of $900 per producer with farming interest in multiple counties.

Limited resource producers may request a waiver of service fees. To qualify for an administrative service fee waiver, the producer must meet both of the following criteria:

- earn no more than $100,000 gross income in farm sales from each of the previous two years;
- have a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household in both of the previous two years.

Limited resource producer status can be determined using the USDA Limited Resource Farmer and Rancher Online Self Determination Tool at http://www.lrftool.sc.egov.usda.gov/tool.asp. The automated system calculates and displays

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adjusted gross farm sales per year and the higher of the national poverty level or county median household income.

Coverage Period for NAP

The coverage period for NAP may vary depending on whether the producer grows annual, perennial or value-loss crops.

The coverage period for annual crops begins the later of:

- 30 days after application for coverage and the applicable service fees have been paid; or
- the date the crop is planted and does not exceed the final planting date,

and ends the earlier of:

- the date the crop harvest is completed;
- the normal harvest date for the crop;
- the date the crop is abandoned; or
- the date the entire crop acreage is destroyed.

The coverage period for perennial crops, other than those intended for forage, begins 30 calendar days after the application closing date and ends the earlier of:

- 10 months from the application closing date;
- the date the crop harvest is completed;
- the normal harvest date for the crop;
- the date the crop is abandoned; or
- the date the entire crop acreage is destroyed.

Please contact your local FSA office for information on the coverage periods for perennial forage crops, controlled-environment crops, specialty crops, and value loss crops.

Information Required to Remain Eligible for NAP

To remain eligible for NAP assistance, the following crop acreage information must be reported annually:

- name of the crop (lettuce, clover, etc.);
- type and variety (head lettuce, red clover, etc.);
- location and acreage of the crop (field, sub-field, etc.);
- share of the crop and the names of other producers with an interest in the crop;
- type of practice used to grow the crop (irrigated or non-irrigated);
- date the crop was planted in each field; and
- intended use of the commodity (fresh, processed, etc.).

It benefits producers to report crop acreage shortly after planting (early in the risk period) to ensure reporting deadlines are not missed and coverage is not lost.

In addition, producers must annually provide the following production information:

- the quantity of all harvested production of the crop in which the producer held an interest during the crop year;
- the disposition of the harvested crop, such as whether it is marketable, unmarketable, salvaged or used differently than intended; and
- verifiable or reliable crop production records (when required).

Producers must provide production information in a manner that can be easily understood by the FSA county committee. Questions regarding acceptable production records should be directed to your local FSA office.

Failure to report acreage and production information may result in reduced or zero NAP assistance. Be aware that acreage reporting and final planting dates vary by crop and by region. Contact your local FSA office for your local dates.

For aquaculture, floriculture and ornamental nursery operations, producers must maintain records according to industry standards, including daily crop inventories. Unique reporting requirements apply to beekeepers and producers of Christmas trees, turfgrass sod, maple sap, mushrooms, ginseng and commercial seed or forage crops. Please contact your local FSA office for these requirements.

FSA Usage of Reported Acreage and Production

FSA uses acreage reports to verify the existence of the crop and record the number of acres covered by the application. Also, the acreage report in combination with the production report are used to calculate the approved yield

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(expected production for a crop year). The approved yield is the average of your actual production history (APH) for a minimum of 4 to a maximum of 10 crop years (5 years for apples and peaches). To calculate your APH, FSA divides your total production by your crop acreage.
The approved yield may be calculated by using substantially reduced yield data if you do not report acreage and production, or report less than 4 years of crop production.

Applying for NAP Assistance When a Natural Disaster Strikes

When a crop or planting is affected by a natural disaster, you must notify your local FSA office and complete Part B, (the Notice of Loss portion) of the application, which is Form CCC-576, the Notice of Loss and Application for Payment. This must be completed within 15 calendar days of the:

- natural disaster occurrence;
- final planting date if your planting was prevented by a natural disaster;
- date damage to the crop or loss of production becomes apparent to you.

To receive NAP benefits, producers must complete Form CCC-576, Notice of Loss and Application for Payment, parts D, E, F as applicable, and G, no later than the immediately subsequent crop year acreage reporting date for the crop. The CCC-576 requires producers to provide evidence of production and note whether the crop was marketable, unmarketable, salvaged or used differently than intended.

Amount of Production Loss to Receive a NAP Payment

The natural disaster must have either:

- reduced the expected unit production of the crop by more than 50 percent; or
- prevented the producer from planting more than 35 percent of the intended crop acreage.

Expected production is the amount of the crop produced in the absence of a natural disaster. FSA compares expected production to actual production to determine the percentage of crop loss.

Defining a NAP Unit

The NAP unit includes the specific crop acreage in the county in which the producer has a unique crop interest. A unique crop interest is either:

- 100 percent interest; or
- a shared interest with other producers.

How Much Loss NAP Covers

NAP covers the amount of loss greater than 50 percent of the expected production based on the approved yield and reported acreage.

Information FSA Uses to Calculate Payment

The NAP payment is calculated by unit using:
- crop acreage;
- approved yield;
- net production;
- 55 percent of an average market price for the specific commodity established by the FSA state committee;
- a payment factor reflecting the decreasing cost incurred in the production cycle for the crop that is harvested, unharvested or prevented from being planted.

More Information

Further information on NAP is available from your local FSA office or on FSA's Web site at: www.fsa.usda.gov.

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Fact Sheet January 2007

United States Department of Agriculture

Emergency Disaster Designation and Declaration Process

Overview

Agricultural-related disasters are quite common. One-half to two-thirds of the counties in the United States have been designated as disaster areas in each of the past several years. Producers may apply for low-interest emergency (EM) loans in counties named as primary or contiguous under a disaster designation.

Four types of disaster designations are made:
1) Presidential major disaster declaration;
2) USDA Secretarial disaster designation;
3) Farm Service Agency (FSA) Administrator's Physical Loss Notification and,
4) Quarantine designation.

The first three types of disaster declarations are authorized under 7 CFR 1945-A. The fourth is the result of a statutory requirement, Section 5201 of the Agricultural Assistance Act of 2003, P.L. 108-07, which authorizes emergency (EM) loans for losses resulting from quarantines imposed by the Secretary under the Plant Protection Act or animal quarantine laws as defined in section 2509 of the Food, Agriculture, Conservation, and Trade Act of 1990.

Presidential major disaster declarations, which must be requested by a governor to the President, are administered through the Federal Emergency Management Agency (FEMA). A Presidential major disaster declaration can be made within days or hours of the initial request. FEMA immediately notifies FSA of the primary counties named in a Presidential declaration.

USDA Secretarial disaster designations must be requested of the Secretary of Agriculture by a governor or the governor's authorized representative, or by an Indian Tribal Council leader. The Secretarial disaster designation is the most widely used and its process is the most complicated of the four. It is described in further detail under "Secretarial Disaster Designation Process."

An FSA Administrator's Physical Loss Notification (APLN) is for physical losses only, such as a building destroyed by a tornado. Llivestock related losses are considered physical losses. An APLN is requested of FSA's Administrator by an FSA State Executive Director (SED).

A quarantine designation is requested of the FSA Deputy Administrator for Farm Programs by an FSA SED. A quarantine designation authorizes EM loans for production and physical losses resulting from a quarantine.

Secretarial Disaster Designation Process

Damages and losses prompting disaster designations must be due to a natural disaster; and a minimum 30-percent production loss of at least one crop in the county must have occurred.

STEP 1

The governor or Indian Tribal Council leader makes a request in writing to the Secretary of Agriculture within three months of the ending date of the disaster.

STEP 2

FSA county offices assemble required agricultural loss information for the Damage Assessment Report (DAR).

STEP 3

FSA's National Headquarters notifies the SED of the request. The SED instructs county offices named in the request to complete the DAR, conduct County Emergency Board (CEB) meetings, and approve or disapprove the DAR.

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STEP 4

The DAR is submitted to the State Emergency Board (SEB) for review and processing.

STEP 5

The SED prepares comments and recommendations. The SEB reviews the DAR. Upon approval, the DAR is submitted to FSA's National Headquarters (NHQ).

STEP 6

FSA's Disaster Assistance Branch, Emergencies Section (DAB/ES) reviews the loss information on the DAR, determines eligibility, and prepares a package, including the letter of approval or disapproval, to be signed by the Secretary.
Information Required for Processing Secretarial Disaster Requests
The information required to process a Secretarial disaster request includes:

- Previous 5-year average production history for the crops and farms listed in the DAR;
- Average farm price for previous 3 years for the crops listed in the DAR;
- Dates that crops suffered damage, and conditions causing production losses;
- DAR signed by the CEB and SEB chairpersons;
- CEB and SEB meeting minutes;
- SED comments and recommendations.

Eligible Natural Disasters

Natural disaster conditions include: a blizzard, cyclone, earthquake, hurricane, tornado, severe hail, excessive rain, heavy snow, ice and/or high wind, an electrical storm, several weather patterns sustained over a period of time, including low or high temperatures, and related pests, epidemics or fires.

Circumstances Affecting Secretarial Disaster Designations

Disaster designations offer flexibility and can accommodate circumstances such as:

- Continuing adverse weather. When a natural disaster continues beyond the date on which a Secretarial determination is made, and continuing losses or damages are occurring, the incidence period and termination date may be extended up to 60 days.
- Insufficient data. When the data is determined insufficient to make a designation, the request remains active, but is deferred until sufficient information is received to make a determination.

FSA Programs Initiated by Designations and/or Declarations

All four types of designations, (Secretarial disaster designations, Presidential disaster declarations, APLNs, and quarantine designations) immediately trigger the availability of low-interest FSA EM loans to eligible producers in all primary and contiguous counties. Other programs that have used Secretarial designations and Presidential declarations as an eligibility requirement trigger, for primary counties only, include:

- Livestock Compensation Program;
- Livestock Assistance Program;
- Livestock Indemnity program;
- Flood Compensation Program.

Disaster Debt Set-Aside Program

FSA borrowers located in designated disaster areas or contiguous counties, who are unable to make their scheduled payments on any debt, may be authorized to have certain set asides. Under Section 331A of the Consolidated Farm and Rural Development Act, FSA is authorized to consider setting aside certain payments owed by FSA borrowers to allow the operation to continue.

Loan Limit

Farm operators in the primary designated counties, and in the contiguous counties, can apply and may be approved for low-interest FSA EM loans, provided eligibility requirements are met.

Eligible producers may borrow up to 100 percent of actual production or physical losses, not to exceed a total amount of $500,000. EM loans are further limited to a maximum, cumulative principal of $500,000 at any time.

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EM Loan Applicants

Applicants must meet all standard loan eligibility requirements; and:

- have eight months from the date of the designation approval to apply for the loans to help cover their actual losses;
- must meet the agency definition of an established farmer, be citizens or permanent residents of the United States, and have suffered at least a 30-percent loss in crop production; and/or sustained a physical loss to livestock, livestock products, real estate, or chattel property;
- must have an acceptable credit history, yet be unable to receive credit from commercial sources;
- must have collateral to secure the loan and ability to repay the loan.

EM Loan Funding

The EM loan program is subject to an annual appropriation of discretionary funding.

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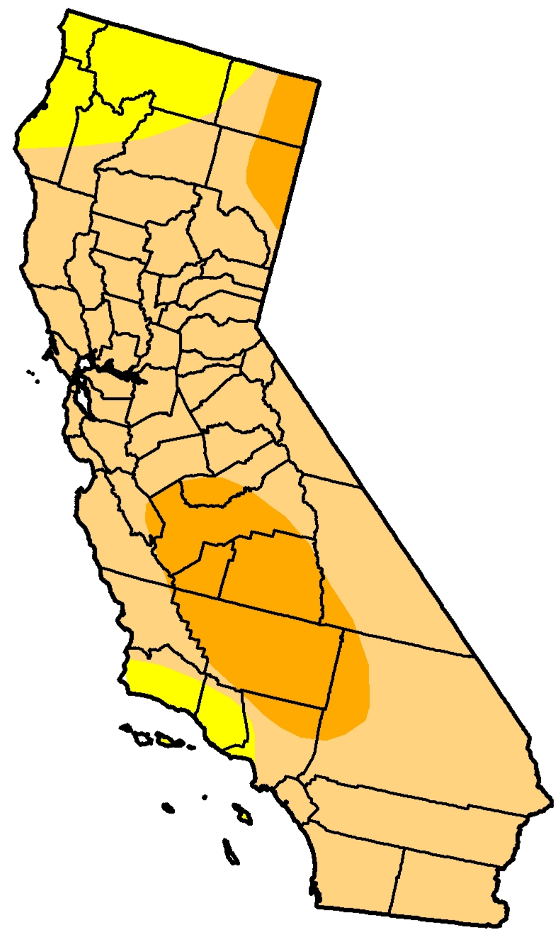
U.S. Drought Monitor

July 8, 2008
Valid 7 a.m. EST

California

Drought Conditions (Percent Area)

	None	D0-D4	D1-D4	D2-D4	D3-D4	D4
Current	0.2	99.8	89.2	18.1	0.0	0.0
Last Week (07/01/2008 map)	0.2	99.8	89.2	18.1	0.0	0.0
3 Months Ago (04/15/2008 map)	24.6	75.4	39.6	5.5	0.0	0.0
Start of Calendar Year (01/01/2008 map)	8.9	91.1	84.7	58.0	14.6	0.0
Start of Water Year (10/02/2007 map)	0.0	100.0	92.6	64.6	33.8	0.0
One Year Ago (07/10/2007 map)	0.0	100.0	92.3	65.3	35.2	0.0



Intensity:

- D0 Abnormally Dry
- D1 Drought - Moderate
- D2 Drought - Severe
- D3 Drought - Extreme
- D4 Drought - Exceptional

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. See accompanying text summary for forecast statements.

http://drought.unl.edu/dm

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