Quantity Loss Worksheets

Note: These worksheets are only to be used as a tool to project the quantity loss payment calculation. The actual payment amount may differ, or may be reduced due to payment limitation provisions or other considerations.

<u>Single-Price Worksheet</u>: Applicable to most crops since there is only a single crop insurance or NAP price, such as avocados, commodity crops, California grapes, nut crops (almonds, pistachios, walnuts), potatoes, prunes, and raisins.

1 Crop	2 Acres	3 Hist. Yield	4 Disaster Level	5 Net Prod.	6 Net. Pay. Prod.	7 Pay. Rate	8 Pay. Factor	9 Salvage Value	10 Calculated Payment
			(2) x (3) x 65%		(4) minus (5)				{(6) x (7) x (8) x 42%} minus (9)
Ex: Almonds	100.0	1000 lbs/ac.	65,000 lbs.	50,000 lbs.	15,000 lbs.	\$1.60 per lb.	1.0	0	\$10,080

Additional Instructions

Item 3: Higher of the APH (NAP or crop insurance actual production history) yield or the county yield.

Item 6: If zero or negative, the payment calculation amount for the crop is zero.

Item 7: Crop insurance price or NAP price.

Item 8: Enter 1.0 for harvested acreage. Prevented planted or unharvested acreage will require a factor.

item 9: Dollar amount received for salvaged production times 42%.

<u>Multiple-Price Worksheet</u>: Applicable only to crops which have multiple prices for crop insurance/NAP, such as apples, broccoli, cherries, and olives.

1 Crop	2 Use	3 Acres	4 Hist. Yield	5 Hist. Mrkt.	6 Disaster Level	7 Net Prod.	8 Net. Pay. Prod.	9 Pay. Rate	10 Pay. Factor	11 Salv. Value	12 Calculated Payment
				%	(3) x (4) x (5) x 65%		(6) minus (7)				{(8) x (9) x (10) x 42%} minus (11)
Ex:	Fresh	100.0	2.0	81%	162 tons	150 tons	12 tons	\$1970/ton	1.0	0	\$9,929
Cherries	Proc	100.0	tons/ac.	19%	38 tons	40 tons	-2 tons	\$412/ton			- \$346
									Crop	Total:	\$9,583
									Crop	Total:	



UNITED STATES DEPARTMENT OF AGRICULTURE California State FSA Office Davis, California

2005 - 2007 Crop Disaster Program





October, 2007

Additional Instructions

Item 4: Higher of the APH (NAP or crop insurance actual production history) yield or the county yield.

Item 5: Average Historical Marketing Percentage. May be based on producer's own historical averages.

Item 9: Crop insurance price or NAP price.

- Item 10: Enter 1.0 for harvested acreage. Prevented planted or unharvested acreage will require a factor.
- item 11: Salvage Value = Dollar amount received for salvaged production times 42%.

Item 12: Payment for the crop is the total for all uses, including negative values.

2005 – 2007 Crop Disaster Program (CDP)

CDP provides benefits to farmers who were prevented from planting a crop or suffered quantity and quality losses from natural disasters and related conditions, such as freeze, drought, excessive moisture, hail, excessive wind, or excessive heat.

Legislation for this program was included in the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007."

General Information:

- Must be insured or covered by FSA's NAP
 Program for the year of loss
- <u>Signup Period</u>: October 15, 2007 to a date to be announced. Contact your County FSA Office to make an appointment.
- <u>One of the crop years</u>: 2005 2007. (2007 crops only eligible if planted before February 28, 2007.)

Crop Insurance / NAP Requirement

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

Payment Limitation

Farmers may receive a maximum of \$80,000 in CDP benefits. Assistance, together with any crop insurance or NAP payment received for the same crop and including the value of the production not lost, must not exceed 95% of the total value absent the disaster.

Quantity Loss Payments

Producers must have suffered quantity losses in excess of 35 percent. For most crops, the calculation will compare the production amount to the higher of the county yield or the producer's actual production history. The amount of loss in excess of 35% will be eligible for quantity payments at 42% of the payment rate.

Quality Loss Payments

In addition to quantity loss payments, payments for quality reductions due to eligible conditions in excess of 25% may be provided. Producers may submit their marketing contracts to establish a higher payment rate for the production sold pursuant to the contract. To receive quality payments, producers must suffer an economic loss to quality-affected production of at least 25% of the expected value.

Average Adjusted Gross Income Provision

An individual or entity shall not be eligible if **both** of the following apply:

- the three year average of the adjusted gross income (AGI) for the individual or entity exceeds \$2.5 million;
- less than 75 percent of the average AGI is derived from farming, ranching or forestry operations.

Application for Benefits

You **must** complete or submit the following forms and documentation before the end of signup:

- FSA-840, computer-generated application;
- Production records;
- Marketing Contracts (optional);
- Other information as requested by the County FSA Committee or required by program procedures.

Application for Benefits (Continued)

Additionally, the following forms may need to be submitted if not already on file for the applicable crop year:

- CCC-526, Average AGI Certification;
- CCC-502, Farm Operating Plan;
- AD-1026, Highly Erodible Land Conservation and Wetland Conservation Certification.

Frequently Asked Questions

1. Can a producer that does not have any crop insurance or NAP coverage apply for CDP benefits?

Yes, however the application will be disapproved in accordance with the Statute.

2. If a producer has crop insurance or NAP, but did not receive a payment because the production was greater than the coverage level, can CDP benefits be provided?

Yes, as long as the producer suffered at least a 35% loss and all other requirements are met.

3. How long does the Agency have to issue the payments?

Sixty days after all applicable forms have been submitted and other requirements are met. Interest will be provided for late payments.

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audio-tape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.