Quantity Loss Worksheet

Note: This worksheet is only to be used as a tool to project the payment calculation. The actual payment amount may differ, or may be reduced due to payment limitation provisions or other considerations.

1 Crop	2 Share	3 Acres	4 Pr. Acres (2) x (3)	5 Hist. Yield	6 Disaster Level (4) x (5) x 65%	7 Net Fresh Prod.	8 Net. Prod. for Payment (6) minus (7)	9 Pymnt. Rate	10 Pymnt. Factor	11 Salvage Value	12 Calculated Payment {(8) x (9) x (10) x 42%} minus (11)
Ex: Navel Oranges	1.000	100.0	100.0	410 ctn/ac.	26,650 ctn.	(50% loss) 20,500 ctn	6,150 ctn	\$5.15 per ctn	1.0	0	\$13,302



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

2005 - 2007 Crop Disaster Program



California Citrus Provisions

Additional Instructions

Item 5: Higher of the crop insurance APH (Actual Production History) yield or the county transitional yield.

Item 8: If zero or negative, the payment calculation amount is zero.

Item 9: Crop insurance price.

Item 10: Enter 1.0 if the crop was harvested and 0.7 if the crop was not harvested.

item 11: Dollar amount received for the juice production times the share (2) times 42%.

Frequently Asked Questions

1. What are the citrus crops that are covered by the California Citrus Provisions?

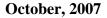
Navel oranges, Valencia oranges, sweet oranges, Mandarin oranges, grapefruit, tangerines, tangelos, and lemons.

2. How is the payment calculated if the citrus crop is covered by NAP?

The NAP APH yield will be factored to only represent fresh production.

- 3. Can a producer that does not have any crop insurance or NAP coverage apply? Yes, however the application will be disapproved in accordance with the Statute.
- 4. 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.
- 5. 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.



2005 – 2007 Crop Disaster Program (CDP)

CDP provides benefits to farmers who 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:

- <u>Must be insured or covered by FSA's NAP</u> <u>Program for the year of loss</u>
- <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)
- Minimum 35% quantity loss and/or 25% quality loss, as determined by FSA.

Crop Insurance / NAP Requirement

An eligible producer is a person who shares in the risk of producing an eligible crop and who is entitled to a share in the crop available for marketing.

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

Note: Producers who have an insurable crop, but elected not to purchase any level of multi-peril crop insurance (including CAT) are NOT eligible for the CDP.

Quantity Loss Payments

Producers must have suffered quantity losses in excess of 35 percent. The payment calculation will be based on fresh production information (rates, yields, harvested amount) and the value of the amount of production sold as juice.

To receive quantity payments, producers will have to provide processed production records to the FSA office.

Note: Fresh production records will not be necessary in most cases because the information has been previously provided to FSA.

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 provide their fresh production records or settlement sheets that show the price received for the crop.

Note: If the price received for the fresh production was not reduced by 25% or more, quality payments are not applicable.

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.

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.

Application for Benefits

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

- FSA-840, computer-generated application;
- Processed production records;
- Fresh production records, if applying for quality loss payments;
- Marketing Contracts (optional);
- Other information as requested by the County FSA Committee or required by program procedures.

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

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

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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.