

VALLEY WIDE AG

Insurance Services, Inc.



One of the valuable services that we provide our crop insurance clients is periodic updates on the available disaster assistance programs. The 2008 Farm Bill created **five new disaster programs**, collectively referred to as Supplemental Agriculture Disaster Assistance. Available to both growers and ranchers this package provides financial compensation for losses occurring during the 2008 crop year and beyond. **To participate in current and future years, growers are required to carry crop insurance on all crops grown** (if available) or NAP coverage (when crop insurance is not available). Of the five new programs created, the three below should be of special interest;

- Supplemental Revenue Assistance Payments (SURE) available to producers with crop production losses and/or crop quality losses (Disaster Counties). Also available to growers when the total loss of production on the farm, because of weather, is greater than 50 percent of the normal production of the farm. (Non Disaster Counties)
- Tree Assistance Program (TAP) available to orchardists and 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.
- The ELAP is available to producers of livestock, honey bees and farm-raised fish, losses covered must be the result of adverse weather or other conditions, such as blizzards and wildfires, as determined by the Secretary.

Sign up to request assistance from these programs is expected to begin this winter. In the meantime the information below will provide some helpful information about the new disaster programs, and the On-going 2007 Crop Disaster Program.

Supplemental Agriculture Disaster Assistance Facts! (2008 Farm Bill)

- Five new disaster assistance programs created.
- Assistance available on losses occurring during the 2008 crop year and beyond.
- Crop insurance (including CAT) or Noninsured Crop Program (NAP) required on all crops raised to qualify for benefits.
- Sign up to be held this winter.

Q: If I currently do not have crop insurance coverage what do I need to do?

A: You must obtain and maintain crop insurance or NAP coverage to become eligible for losses occurring during the 2009 crop year. You can call our office to get a list of sign up dates.

Q: Can I apply for benefits on losses occurring 2008 crop year if I do not have crop insurance coverage?

A: FOR THE 2008 CROP YEAR ONLY the USDA has approved a "Buy-In Fee". Growers who sign up and pay the "Buy-In Fee" before 9/16/2008 will be allowed to apply for 2008 benefits on losses occurring during the 2008 crop year only!..

Q: How much are the Buy-In Fees for 2008?

A: \$100 per crop, but not more than \$300 per producer per county, or \$900 total per producer, for all counties, less any previously paid fees for CAT and/or NAP.

Q: If I have crop insurance coverage on all of my crops for 2008 do I need to apply for the "Buy-In"?

A: No, the "Buy-In" is only necessary if you do not have all of your crops covered.

Q: How can I find out if I had all of my crops covered?

A: Call our office we will be happy to provide you a list of crops covered through our office.

Q: How much assistance will be available?

A: Your crop insurance policy will be the first place to obtain assistance for losses. Details are still trickling out but it appears that each grower may be entitled to receive up to an additional \$100,000 in Supplemental Agriculture Disaster Assistance per crop year.

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2007 USDA Crop Disaster Program (CDP)

Sign up is still open and ongoing for the 2007 Crop Disaster Program (CDP). This assistance program was approved on May 25, 2007 by President Bush. The 2007 Crop Disaster Program (CDP). This program will compensate growers for crop loss incurred during 2005 through 2007 crop years provided crop insurance was in place on year of loss.

Benefits available under the 2007 Crop Disaster Program!

- Up to \$80,000 per grower for crop loss.
- Covered losses include; prevented from planting, Crop loss in excess of 35 percent of the expected production of a crop and Loss in excess of 35 percent of the value for value-loss crops.
- Sign Up is ongoing no deadline posted yet!
- 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.

Q: Can a producer who had crop insurance coverage or NAP, but did not receive a loss payment apply for and receive CDP benefits?

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

Q: How long does it take to issue the payments?

A: Sixty days after all applicable forms have been submitted and other requirements are met.

In closing, with harvest approaching please remember that if your crop has sustained any amount of damage; you must contact our office, before harvest so we can file a notice of damage. Most crop insurance policies require that a notice of damage be filed before harvest to collect any indemnities due under the policy. Filing notice a notice of loss will not have an impact on your coverage or policy cost. It merely provides the insurance company with the opportunity to inspect the crop damage (if they choose). Should you have any questions or concerns feel free to contact our office directly at (800) 805-2468.

Thank you,

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