



2018 Hurricane Florence Agricultural Disaster Assistance Program

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Purpose

- Invest in North Carolina's largest industry which suffered \$1.1 Billion* in production losses from Hurricane Florence.
- Alleviate economic hardship and spur growth in counties most affected by Hurricane Florence.
- Quickly provide direct assistance to farmers most affected by Hurricane Florence in order to:
 - Assist with managing debt related to Florence, previous disasters, and chronic low commodity prices.
 - Provide cash flow to maintain agriculture and its multiplier effect for rural economies.

*Based on initial 35 counties

Eligible Commodities

Crops	Livestock	Aquaculture
Apples, barley, corn, cotton, dry peas, flax, forage, freezing and canning peas, grain sorghum, grapes, hay, industrial hemp, native grass, nursery crops, nuts, oats, peanuts, potatoes, rye, soybeans, sunflowers, sweet corn, tobacco, tomatoes, wheat, specialty crops, other fruits & vegetables. *Does not include stored grain	Cattle, sheep, swine, goats, farmed cervids, bison, chickens, quail and turkeys. Horses, mules or other equines qualify only if they are used for production of agricultural commodities.	Must be propagated or reared in a controlled environment. Inland aquaculture (catfish, crawfish ponds, etc.)

Qualifications

- For Crops:
 - Acreage reported to USDA Farm Service Agency (FSA) on FSA Forms as specified in the application.
- For Livestock:
 - Farmers must first qualify for and receive an indemnity payment through the USDA Livestock Indemnity Program (LIP), and provide documentation of loss.
- For Aquaculture:
 - NCDA&CS will work directly with aquaculture producers to determine loss related to Hurricane Florence.

- Program sign-up period:
November 7 to December 10, 2018.
 - Extensions may be requested for losses of nursery crops, livestock, and fruit-bearing trees and bushes for which losses may not be known or qualification & payment for LIP has not occurred by December 10, 2018.



On October 15, 2018, the North Carolina General Assembly established the Hurricane Florence Agricultural Disaster Program of 2018, a one-time assistance program for agricultural producers who suffered a loss due to Hurricane/Tropical Storm Florence. The program will be administered by the North Carolina Department of Agriculture and Consumer Services. Assistance will be based upon the amount appropriated by the North Carolina General Assembly.

Financial Assistance Eligibility:

- Farmers who experienced a verifiable crop or livestock loss because of Hurricane/Tropical Storm Florence, and its remnants located in a NC county that is, or becomes, a Presidentially-Declared or Secretarial-Declared or a Presidential FEMA declared disaster county.
- Commodities planted on or before September 13th, 2018, or aquaculture being raised on or before September 13th, 2018.
- Livestock/poultry producers who qualify for and have received payment from the USDA Livestock Indemnity Program (LIP).

Information Required for Application:

- A Form 578 on file with the USDA Farm Service Agency for USDA reported crops.
- For crops not reported on FSA Form 578, a summary of loss with map and physical address of crops.
- For livestock/poultry loss, a copy of payment or registration of loss for USDA LIP.
- Completed W-9 for producer SSN/EIN.

How to Apply:

- Complete an electronic application at www.ncagr.gov/AgriculturalDisasterProgram/ from **November 7th, 2018** to **December 10th, 2018**.
- During the application period, livestock/poultry producers without USDA LIP payment may extend their deadline to March 1, 2019 upon written request in the application.
- During the application period, nursery crops, fruit-bearing trees and bushes, and specialty crops where the survival level is not immediately known, may extend their deadline to May 1, 2019 upon written request in the application.

Form 578s and USDA LIP documents may be obtained at your county FSA office.

IRS Form W-9 is available at www.ncagr.gov/AgriculturalDisasterProgram

Contact your local extension office for application assistance. For more information, including Frequently Asked Questions, please visit www.ncagr.gov/AgriculturalDisasterProgram

Payment Determination (crops)

- Will be based on:
 - County Loss
 - Reported by FSA, or;
 - Estimated by Cooperative Extension/NCDA&CS and a vetting process.
 - Average County Yield
 - Utilizing USDA-NASS data, or;
 - Established yields based in USDA Noninsured Crop Disaster Assistance Program (NAP)
 - Average Price
 - Statewide data from USDA-NASS, or;
 - Established price from USDA NAP Program

Payment Determination (crops)

- Sample Calculation:
 - $\text{Loss} = (\text{FSA Reported Acreage}) \times (\text{County Average Yield}) \times (\text{Average Price}) \times (\text{FSA Reported County Loss})$
- Assume:
 - FSA Reported Acreage = 100 acres of cotton
 - County Average = 900 lbs
 - Average Price = \$0.72/lb
 - County Loss = 50%
- End Result:
 - $\text{Loss} = (100 \text{ acres}) \times (900 \text{ lbs}) \times (\$0.72) \times (50\% \text{ loss})$
 - **Loss = \$32,400**

Payment Determination (crops)

- From the previous example, loss is calculated to be \$32,400.
 - *For this farmer, for this commodity*
- **The sum of all losses for a farmer will determine the overall payment to the farmer as a pro-rated share of the overall appropriation to this program**
- Assistance to farmers in this program will be dependent on the **overall loss** and **overall appropriation** to the program.



Payment Determination (Livestock)

- Farmers must first qualify for and receive payment through the USDA Livestock Indemnity Program (LIP).
- LIP pays an indemnity on 75% of the loss on a per head basis.
- This program will offer assistance on one-half of the remaining loss, or 12.5%.



Payment Determination (Nursery and fruit-bearing trees and bushes)

- Farmers may apply for direct assistance as with other crops.
- Farmers may also apply for an extension until May 1, 2019 for reporting losses if the loss is not known by December 10, 2018.
 - Example: Flooded nursery trees or blueberry bushes may not have known loss until spring emergence.
- Payment Assistance to farmers in this program will be dependent on the **overall loss** and **overall appropriation** to the program.



Payment Determination (aquaculture)

- Farmers may apply for direct assistance as with crops and livestock.
- Reported losses will be verified by NCDA&CS staff.
- Payment Assistance to farmers in this program will be dependent on the **overall loss** and **overall appropriation** to the program.

What is Not Covered?

- Infrastructure.
- Stored forage losses (baled hay).
- Stored grain or other stored commodities.
- Quality Losses – Not directly covered but should be accounted for in FSA reported county average losses.

How to Apply/What is Needed?

- Beginning November 7th, 2018, apply for assistance at www.ncagr.gov/AgriculturalDisasterProgram. Complete applications must be submitted electronically by December 10th, 2018. *
- Before completing application, have electronic copies of the following documents:
 - USDA FSA Form 578 per county for crop losses.**
 - USDA LIP payment for Livestock and Poultry Loss (Form CCC-852).
 - USDA FSA field map and list of physical addresses for crops not reported on USDA Form 578.
 - Completed W-9 for producer SSN/EIN.

*NCSU Extension offices, NCDA&CS disaster program website, & the Agriculture Disaster Hotline will be available to answer questions for farmers.

**A late filing fee may be incurred for previously unreported crops. Please check with your local FSA office for more information.

Partners

- USDA-Farm Service Agency (FSA)
 - Provide county loss information, program information, requested documents from farmers, and other documents.
- Cooperative Extension
 - Provide program information, assistance with enrollment, and county loss estimates where needed.
- NCDA&CS
 - Provide program information, administration, county loss information where needed, reporting, auditing, and disbursement of appropriated funds.

Timeline

Farmer - County FSA Office

REPORTING FORMS - Form 578, Affidavit (in application), W-9 Form, and Extension (if needed)



Farmer - Home or with Assistance from Cooperative Extension

UPLOAD INFORMATION – Scan and Upload documents, Report Acreage, November 7 to December 10



NCDA&CS

COLLECT ALL LOSS INFORMATION by December 10, 2018



NCDA&CS

CALCULATE LOSS Based on Appropriation and Total Losses



NCDA&CS

MAKE PAYMENTS – As soon as possible after Jan. 1, 2019, reserving allocation for requested extensions

Accountability

- Farmer-provided information is only planted acres, nursery inventory, or livestock inventory.
 - Most easily verified information.
 - Documentation (ex. Form 578) must be uploaded with the online application.
- Requirement of affidavit that will:
 - Provide penalties for submitting false information.
 - Allow for auditing at any time.
- Each step in the process will have reportable, reviewable information.
- NCD&CS will not be taking any administrative costs from the appropriation to this program.

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 - Provide cash flow to maintain agriculture and its multiplier effect for rural economies.
- **Effectiveness of this program will depend on level of appropriation.**

An aerial photograph showing a boat on a dark body of water, pulling a long net through a field of green, rectangular plant beds. The net is connected to a white buoy. The water is dark, and the plants are arranged in neat, parallel rows. The boat is moving from the bottom center towards the top right, leaving a wake behind it. The overall scene suggests a traditional aquaculture or fishing method.

Questions?