

Supplemental Disaster Assistance Program

(Coverage for 2008 – 2011 crops)

Key Provisions:

- Supplemental Revenue Assistance
 - An assistance program designed to encourage the use of insurance products, provide whole farm shallow loss coverage, and address problems of declining yields and quality losses.
 - Indemnities are paid on 60% of the difference between –
 - § 1) The whole farm guarantee established as the sum of:
 - 115% of insured levels for each insurable crop after yield adjustments, and
 - 120% of NAP yield protection times 100% of applicable NAP price after yield adjustments, AND
 - § 2) Whole farm revenues consisting of crop production, insurance indemnities, counter-cyclical, marketing loan benefits, and 15% of the direct payments accruing to the farm.
 - Crop production is adjusted for quality losses not accounted for by crop insurance.
 - The supplemental revenue guarantee may not exceed 90% of the whole farm's expected revenue.
 - Eligible farms must be located in or contiguous to Secretarial designated disaster counties based on production losses.
 - § Secretarial designations are waived for farms with greater than 50% production losses.
 - Linkage: Minimum purchase of Catastrophic crop insurance (CAT) and participation in the non-insured assistance program (NAP) is an eligibility requirement.
- Livestock Forage Program
 - Pays for grazing losses for producers residing in counties identified as suffering severe droughts according to the Drought Monitor.
 - Each payment is equal to 60% of the feed grain equivalent cost to support eligible livestock for one month
 - Payments increase based on severity of drought circumstances
 - § 1 Payment – D2 (severe) for 8 consecutive weeks during the grazing period.
 - § 2 Payments – D3 (extreme) any time during grazing period.
 - § 3 Payments – D3 (extreme) for 4 consecutive weeks OR D4 (exceptional) at any time during the grazing period.
- Livestock Indemnity Program
 - Reimburses 75% of the market value of disaster related livestock deaths in excess of normal mortality.
- Emergency Assistance for Livestock, Honeybees, and Farm-Raised Catfish
 - \$50 million per year is made available for natural disaster related losses not covered by Secretarial designations.
- Tree Assistance Program
 - Reimburses 70% of the cost associated with replanting trees lost to a natural disaster in excess of 15% adjusted for normal mortality
 - 50% of the costs associated with pruning or removal to salvage existing trees and prepare for replanting in excess of 15% adjusted for normal damage and mortality