

Federal Crop Disaster Assistance Sign-up Begins (as appeared in the February 1, 2001 Mississippi Market Bulletin)

By Rickey Gray, (601) 359-1140

Issued: January 23, 2001

Commissioner of Agriculture Lester Spell, Jr., learned last week from U. S. Department of Agriculture Farm Service Agency (FSA) officials that sign-up for the Livestock Assistance Program (LAP), Crop Disaster Program (CDP), and Noninsured Crop Disaster Assistance Program (NAP) would begin this week in 52 counties, with 23 additional counties pending approval in Washington. This aid will be for losses suffered during last year's drought. **(Note: as of January 25, the number of approved counties had increased to 74 counties)**

LAP provides direct payments to eligible producers who suffered grazing losses. While all counties have been declared eligible, certain county applications to FSA are pending approval, while a few counties have yet to submit applications. A county must have suffered a 40% or greater loss of grazing production for three or more consecutive months during the crop year. Eligible livestock must have been owned or leased for at least three months. LAP payments will be issued only after the sign-up has ended.

CDP provides assistance to producers who suffered production losses due to weather in excess of 35% of a crop's established yield. Insured crops, uninsured crops and noninsured crops are covered under this program. Specifically, to apply for assistance under this program, each producer must report all acreage of crops, the production from those crops and sign a crop insurance agreement. Also, farmers must certify their gross revenue for the 1999 tax year, complete a farm operating plan for personal determination, if not already on file at the county office, and comply with the Highly Erodible and Wetland Conservation Compliance provisions. Payments on these crops, which unlike LAP are not subject to a national payment factor, will be issued immediately after publication of the program in the Federal Register.

NAP is for those who suffer financial losses from natural disaster, as well. Such losses are the result of catastrophic loss of production or prevented planting of an eligible crop that is not covered by the Federal Crop Insurance program. An eligible producer may be a landowner, tenant or sharecropper who shares in the risk of producing the crop for which he would have shared in the production. Eligible crops include aquaculture, floriculture, ornamental nursery, Christmas trees, turfgrass sod, seed crops and industrial crops. This program, as do the others, has very specific requirements. The programs are not mutually exclusive necessarily.

The closing date for these signups has yet to be determined. For additional information on these programs, contact your county FSA office.

In the meeting, Commissioner Spell noted that these programs were for disaster assistance due to unfavorable weather conditions in the year 2000. He pointed out that farmers were already experiencing unrelated harsh conditions in 2001, with the year less than one month old. Particular harm was being felt from high-energy costs. This assistance was not forthcoming in the foreseeable future for many in Mississippi agriculture facing unprecedented energy costs. In a letter to the Congressional Delegation, Spell explained the dire situation many farmers were and would be facing this year because of spiraling energy prices. "The present prices are making it . . . impossible for . . . our poultry farmers to make a profit. Present costs of \$150 a day to heat an individual chicken house simply do not allow a farmer to cash flow," Spell wrote. Spell continued, "My concern for our poultry growers extends to the rest of our farmers as they prepare for the upcoming planting season. The diesel fuel that they use in their tractors will be only the tip of the iceberg. I have already heard of a doubling of the price of fertilizers."

While expressing appreciation for the funds for the Year 2000 disaster, Spell warned of continuing difficulty in the near future because of depleted forage supplies from last year and poor winter grazing conditions continuing. "Even if the cold abates, the rains replenish the drought shortage, and the sun comes out, our cattlemen will be well up into the spring before they have adequate supply (of grass) to meet immediate needs," Spell concluded.