

# NAP: Your Guide to the FSA Forms and Paperwork

Obtaining crop insurance for the first time can seem like a daunting task. Noninsured Crop Disaster Assistance, or NAP, is an insurance program provided through the Farm Service Agency (FSA) that helps producers protect their bottom line in the event of natural disasters. In what follows, we walk Sami, a rancher who also grows squash, spinach, and carrots, through the process of signing up for NAP and receiving a payment when her crops get hailed out and a drought reduces the production on her grazing acres.

## Your First Visit with FSA

To begin the NAP enrollment process, you must first go to your local FSA office to sign up for coverage. Your production history or acreage reports are not needed at this time. The main piece of information you will provide during this meeting is what crops you will be covering with NAP. During this meeting, you may choose to file a payment eligibility form (CCC-902), certification of compliance with wetland and high erodibility land provision (AD- 1026), and form CCC- 941, which certifies that your adjusted gross income does not exceed the \$900,000 limitation for NAP. While these forms are not required at the time of application, they must be filed before a payment is made, so FSA encourages filing these forms during the first meeting.

Your FSA representative will ask if you would like to file as a targeted underserved farmer, a beginning farmer, or a limited resource farmer. As a woman, Sami can file as a socially disadvantaged farmer. If you fall under any of these categories, a CCC- 860 form will be filed, and you will receive a waiver of the NAP service fee and a 50% reduction of a buy-up premium.

Next, you will fill out the NAP application, CCC- 471, with your FSA representative. Much of this process is completed electronically, but a hand written example is provided in the examples below. You'll fill out Part A with your personal information. Part B provides information about the CCC- 860 form.

PART A - PRODUCER INFORMATION	
<b>3A. Name and Address of Producer (Including Zip Code):</b> <div style="text-align: center; font-family: cursive;">                     Producer Address                 </div>	<div style="text-align: center; font-weight: bold;">Administrative State and County Office</div> <b>4A. State</b> MONTANA
<b>3B. Telephone No. (Including Area Code)</b> <div style="text-align: center; font-family: cursive;">                     (###)###-###                 </div>	<b>4B. County</b> GALLATIN
<b>3C. Email Address</b> <div style="text-align: center; font-family: cursive;">                     email@domain.com                 </div>	<b>5. Schedule of Deposit Number According to 64-FI</b>
PART B - SOCIALLY DISADVANTAGED, LIMITED RESOURCE, AND BEGINNING FARMER OR RANCHER	
<b>6. Socially disadvantaged, limited resource, and beginning farmers are eligible for a waiver of the NAP service fee and, if buy-up coverage is elected, a 50% reduction of the calculated buy-up premium.</b>	
To qualify for a service fee waiver or reduced premium as a socially disadvantaged, limited resource, or beginning farmer, you must file a Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification (CCC-860), if not already on file.	

Figure 1: Part A and B form CCC- 471

Part C of the 471 includes crop identification and coverage options. Sami has chosen to cover carrots, spinach, winter squash, and her native grass for grazing. All of the vegetable crops in the example will be sold fresh. Note that the organic option is not currently available for these crops in Montana. Organic producers can still file for NAP, but coverage will reflect conventional rates and prices. If you would like crops to be added to the organic option, please discuss this with your FSA representative as they may be able to add them for next season.

Figure 2 shows crop identification and coverage selection in the CCC-471. Sami identifies leaf spinach, hybrid carrots, winter squash, and native grass grazing, and her coverage levels include: basic for carrots (50% of yield and 55% of price, or 50/55), 55/100 buy-up and the Direct Market Price Option for spinach, 65/100 buy-up for winter squash, and basic coverage for native grass grazing (the buy-up option is not available for grazing).

7. Crop			11. Crop Type	12. IU	13. Organic Option	14. Coverage Levels					Buy-Up Only		
8. Pay Crop	9. Pay Type	10. Planting Period				Buy Up					15. Direct Market Price Option	16. HMP Option	17. Max. Dollar Value (Value Loss)
						Basic 50/55	50/100	55/100	60/100	65/100			
Greens			LEF	FH				X			X		
4000	001	01											
Carrots			HYB	FH		X							
0120	001	01											
Squash			WTR	FH					X				
0155	001	01											
Grass			NAG	GZ		X							
0102	003	01											

Figure 2: Part C of CCC- 471 form

The Direct Marketing Option used for the spinach in this example enables Sami to receive a payment from NAP that reflects the direct marketing price. The Direct Market Price Option requires historical records of your marketing sales from the preceding 1-3 years and completion of a separate form (CCC-575, part F). Montana currently does not have established direct market prices, but these could be added in the future. The Historical Marketing Percentage (HMP) option also requires average market price data, and the Max Dollar Value Option is for “value loss” crops, and is rare in Montana.

If this is your first time going to your FSA county office, anticipate spending time filling out the forms discussed above, discussing farm record requirements, and obtaining field numbers. You will also need to identify the location of the land you are operating and also provide proof of ownership and/or copies of leases you may have for the land.

## Paying for your Policy

Next, your service fee can be calculated. The service fee is \$250 per crop per county, not exceeding \$750 per producer per county. If your crops are planted in more than one county, the service fee calculated will not exceed \$1875. In this example, Sami’s service fee calculated will be the maximum \$750. If you choose to plant more than one crop of the same pay group (such as winter squash and sunburst squash) you will pay only one service fee for those two crops. Your FSA office will let you know when your service fee and premium are due; this varies by crop.

## Acreage Reporting

The next step is to plant your crops and file an acreage report (FSA-578) with your county office. This form does not need to be manually completed, either. To report your crops and acres you must go to your county office with an aerial photo or map of your land with a list of each crop planted in each field or subfield. The FSA representative will then load this information into their software and print out the acreage report form for you to sign and date. A numbered map will also be provided to you. At this meeting you will also report the crops, crop type, intended use, irrigation practice, planting dates, and your share interest in the crop. These reports are made by field number, which comes from the map provided to you by the county office described above. Acreage reports need to be filed by July 15 of the planting year for the crops in this example. Notice of loss cannot be reported before an acreage report is filed, so acres should be reported shortly after planting.

## Filing a Notice of Loss

The Notice of Loss Application, or CCC-576 must be filled out within 15 days of when the loss occurred or when the damage to the crop became apparent. A form must be completed for each NAP covered crop that received a loss. If the damaged crop will be abandoned, destroyed or put to another use, an appraisal must be requested through FSA. If the crop will be kept until harvest, no loss adjuster will be needed. For this example, because none of Sami's crops have been completely destroyed, she will keep them until harvest. Pictured below is an example of form CCC-576 filed for the lost squash. Part A of this form will be completed by the county FSA office, but Part B needs to be filled out by the producer. Figure 3 shows how part B would be filled out if Sami loses 50% of winter squash from a hail storm.

PART B - NOTICE OF LOSS (To be completed by Producer)					
8. For loss suffered, enter		9. What disaster event(s) caused loss?		10A. Beginning date of disaster (MM-DD-YYYY)	11. When was loss apparent? (MM-DD-YYYY)
A. Crop Name	B. Crop Type	Hail		07-20-2016	07-21-2016
Squash WTR				10B. Ending date of disaster (MM-DD-YYYY)	12. For the crop type entered in Item 8, was there any agreement or contract for payment for growing the crop, as opposed to delivery of production?
				07-20-2016	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
13. Check type of loss suffered as a result of event identified in Item 9.			14. Was the crop in Item 8 irrigated or Non-irrigated? Check the applicable practice(s) used for the crop identified in Item 8.		
Prevented Planting <input type="checkbox"/>			IR <input checked="" type="checkbox"/> NI <input type="checkbox"/>		
Low Yield <input checked="" type="checkbox"/>			15. If "Prevented Planting" is checked in Item 13, enter the following:		
			A. Intended but Prevented Acreage		
			B. Planted Acreage		
16. For the intended but prevented acreage entered in Item 15, complete the following entries:					
A. Purchased, Delivery, or Arranged for:		YES NO		B. If "YES", Explain and attach copies	
(1) Seed, Chemical, and Fertilizer				17. If "Low Yield" is checked in Item 13, enter the following:	
		X		A. Total Crop Acreage	
(2) Land Preparation Measures		X		B. Affected Acreage	
				0.5	
				0.25	
18. What cultivation practices have been and will be employed on damaged crop acreage (e.g., fertilizer, seeding, irrigation, pesticide and herbicide applications; before and after date of damage)?					
irrigation,					
19. What will be done with damaged crop acreage (e.g., destroyed, replanted to another crop, unharvested, harvested, or not planted)?					
NOTE: You must request an appraisal of any planted acreage of the specified crop that will be abandoned, destroyed, or put to another use. You must not destroy or put acreage to another use before written consent is given by an authorized CCC or FICG loss adjuster for such destruction or other use. Failure to do so will result in loss of program assistance. Complete Part D.					
harvested					
20. What has been done with prevented planted or damaged crop acreage (include dates crop was destroyed, harvested, or replanted, as applicable)					
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21. Producer certifies that all information in Part B is correct and acknowledges receipt of copy of this form.					
A. PRODUCER'S SIGNATURE				B. DATE (MM-DD-YYYY)	
Producer				##-##-##	

Figure 3: Part B of CCC-576

The CCC-576 asks questions about the crop (squash), how it was damaged (hail), how much of the crop was damaged (0.25 acres out of 0.5 acres), when was it damaged (July 20), what will be done with the damaged crop (harvest), and cultivation practices before and after the damage occurred. In Sami’s case, she irrigated the squash before the hail storm and will continue to irrigate.

The last part of the CCC-576 that needs to be completed by the producer is part G, the certification and application for payment, as seen below in Figure 4. This needs to be completed within 60 days of the last day of coverage for the crop year.

PART G - CERTIFICATION AND APPLICATION FOR PAYMENT		
<p><b>THIS PORTION MUST BE COMPLETED PRIOR TO PAYMENT.</b> Attach Appraisal Worksheet, actual production evidence, CCC-576-1, and, if applicable FCI-6, Statement of Facts. Do not use appraisal when harvested production is available. If destroyed prior to appraisal, crop acreage is ineligible.</p>		
<p>The undersigned producers apply for NAP payment on the unit identified in Item 2 in accordance with 7 CFR Part 1437. The producers signing certify that all the information provided is true and correct, and, the production is accurately identified to the unit, share relationship, pay crop, pay type, and year shown. I understand this report may be spot-checked and failure to certify accurately may result in a loss of program benefits. Additionally, I direct the purchaser, warehouse operator, ginner, or any person who otherwise, stores or purchases crop production listed on this form to disclose the production records of such crops to USDA representatives for the purpose of verification. The producer has not chosen or received another USDA benefit that is subject to the multiple benefit exclusion (7 CFR Part 1437.12).</p>		
59A. PRODUCER SIGNATURE	59B. Date Signed (MM-DD-YYYY)	
60A. LA OR FSA REPRESENTATIVE SIGNATURE (Final)	60B. Date Signed MM-DD-YYYY	61. Code Number

Figure 4: Part G of CCC-576 (Application for Payment)

The rest of the form will be completed by the FSA office. See “Calculating NAP Premiums, Fees, and Payments” for further explanation of Sami’s premium and payment calculations.

## File Production History and Paying Premiums

The last time Sami visits her FSA office for the season is to file actual production history and approved yield record, which must be completed 60 days after the normal harvest date for the crop that is insured. Producers must bring production records for the FSA representative to put into software that fills out the CCC-452 (NAP actual production history and approved yield record form) for you. This form will then be printed off for you to sign.

Producers have three options for payment of a buy-up premium. The full premium can be paid for any time after the premium is calculated. If the premium is not paid 60 days before the next year’s application closing data, a bill will be issued at this time, and will be due within 30 days. The last option is to have the premium offset from a NAP payment, if applicable. This will need to be discussed with an FSA representative. Outstanding payments will be deducted from payments from NAP.

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