

## **News Release**

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### **USDA REMINDS FARMERS AND RANCHERS OF DISASTER PROGRAM SIGN-UP** *Crop and Livestock Producers Can Apply to Receive Benefits*

Davis, California, Oct. 17, 2007 – John Smythe, Executive Director of USDA's Farm Service Agency in California announced that eligible farmers who suffered quantity losses to their crops in recent years can now enroll in the Crop Disaster Program 2005-2007 (CDP) at local FSA service centers. FSA will announce and conduct sign-up for quality losses under CDP as soon as possible. In accordance with the Statute, only producers who obtained crop insurance or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits.

"Certain crop producers suffered major financial losses as the result of floods, freeze, and other natural disasters during the last couple years," said Smythe. "This program will help many California farmers to maintain viable businesses so consumers at home and abroad have the food and fiber they need to survive."

Subject to final rules for the program, CDP provides benefits to farmers who suffered losses to the 2005-2007 crops from natural disasters and related conditions so long as the actual crop lost was planted or prevented from being planted before Feb. 28, 2007. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year to receive benefits. Producers may apply for benefits for losses to multiple crops as long as the losses occurred in the same crop year.

Producers must have suffered quantity losses in excess of 35 percent to be eligible for CDP. The payment rate is set at 42 percent of the established price. Assistance, together with any crop insurance or NAP payment received for the same crop and including the value of the crop production not lost, must not exceed 95 percent of the total value of the crop absent the disaster.

FSA offices may accept information from producers about quality losses when producers submit applications for quantity losses. However, FSA will only consider quality loss applications complete after FSA announces the quality loss sign-up date. FSA will not consider applications completed for any loss, including quantity losses, until a final rule has been issued for this program.

Smythe also reminded ranchers and other livestock producers that they can apply to receive benefits under the Livestock Compensation Program (LCP) and Livestock Indemnity Program (LIP).

LCP compensates livestock producers for feed losses occurring between Jan.1, 2005, and Feb. 28, 2007, due to a natural disaster. This can include producers who suffered grazing losses resulting from the devastating freeze that occurred in January of this year. Livestock producers may elect to receive compensation for calendar year 2007 grazing season losses that are attributable to wildfire natural disasters occurring during the applicable period as determined by the Secretary of Agriculture. Only producers in primary counties declared secretarial disaster areas or certain counties declared presidential disaster areas between Jan. 1, 2005, and Feb. 28, 2007, are eligible as are producers located in counties contiguous to those counties. Producers incurring a loss in more than one of the 2005, 2006 or 2007 calendar years must choose only one year for which they want to apply for benefits. Most counties in California were declared secretarial disaster areas or are contiguous to a county declared a disaster area for the freeze in early 2007. Producers in these counties may be eligible to participate in the Livestock Compensation Program. For a complete list of counties eligible for 2007 LCP, visit <http://www.fsa.usda.gov> and click on State Offices tab at top of page and select California. This list will be updated as warranted.

LIP compensates livestock producers for livestock losses between Jan. 1, 2005, and Feb. 28, 2007, that resulted from natural disasters, including losses due to excess heat during the summer of 2006. Producers in primary counties declared secretarial disaster areas or certain counties declared presidential disaster areas between Jan.1, 2005, and Feb. 28, 2007, are eligible as are producers located in counties contiguous to those counties. Also, producers in a primary (or contiguous) county that received an Administrator's Physical Loss Notice directly associated with a disaster declaration made by President Bush may also be eligible. Producers incurring eligible livestock losses in more than one of the 2005, 2006 or 2007 calendar years must choose only one year for which they want to apply for benefits.

On May 25, 2007, President Bush signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007" (2007 Act). The 2007 Act authorizes LCP, LIP and CDP. It also authorizes funding for the Dairy Disaster Assistance Program III (DDAP-III). FSA will announce and conduct sign-up for DDAP-III as soon as possible.

For more information about disaster programs implemented by FSA, visit: <http://disaster.fsa.usda.gov>.