



Deadline to obtain “Buy-In” Waiver for Disaster Assistance Extended

The disaster assistance programs outlined in the 2008 Farm Bill require that producers have crop insurance or non-insured crop disaster assistance (NAP) coverage on **all** crops in the crop year in which disaster assistance is being requested. This means, for example, that a producer must have coverage on his 2008 rice, soybeans, pasture, and crawfish crops to be eligible for disaster assistance from the 2008 hurricanes.

With the late signing of the 2008 Farm Bill, Congress will allow for the 2008 crop year, producers who do not have coverage on one or all crops, to “buy-in” to the disaster assistance programs. Originally, producers were given until September 16, 2008 to take advantage of this one-time opportunity to “buy-in” to the disaster programs. However, given some of the temporary Farm Service Agency office closures resulting from the hurricanes, **the deadline has been extended to September 30, 2008 for 55 parishes in the state.** Those parishes in which **the deadline is not extended** are:

- Bienville
- Caddo
- DeSoto
- St. Tammany
- Webster
- Bossier
- Claiborne
- Red River
- Washington

The buy-in fee for 2008 eligibility only for either the catastrophic risk protection insurance (CAT) or NAP is \$100 per crop, but not more than \$300 per producer per administrative county, or \$900 total per producer for all counties less any previously paid fees for CAT and/or NAP. Payment of the applicable fees will allow the producer to be eligible for benefits for losses under the following disaster assistance programs:

- Supplemental Revenue Assistance Payments (SURE) Program,
- Livestock Forage Disaster Program (LFP),
- Tree Assistance Program (TAP), and
- Emergency Assistance Livestock, Honeybees and Farm-Raised Fish Program (ELAP).

This “buy-in” is **not** required for producers to participate in the Livestock Indemnity Program (LIP). **This “buy-in” waiver does not provide the producer with crop insurance or NAP coverage. It only allows the producer to participate in the disaster program.** In other words, the “buy-in” would make the producer eligible for disaster assistance but would not make him eligible for crop insurance or NAP indemnity payments.

Coverage Needed For All Crops (including Pasture) Grown on Farm

As mentioned earlier, to participate in the disaster assistance programs outlined by the 2008 Farm Bill, producers will need crop insurance or NAP coverage on all crops grown on the farm in the crop year impacted by the weather event. Therefore, as it relates to Hurricane Gustav and now Hurricane Ike, all 2008 crops must have crop insurance or NAP coverage to participate in the disaster program or the producer must get this “buy-in” waiver for those crops in which he does not have coverage.

Let’s look at a couple of examples to see how this may impact producers. Assume a producer grows wheat, soybeans, rice, and cotton. Also, assume that the producer had significant damage to his soybean, rice and cotton crops due to Hurricanes Gustav and Ike. For this producer to be able to participate in disaster assistance programs, he must have had crop insurance on his entire 2008 wheat crop and must have crop insurance on all of his 2008 soybean, rice, and cotton crops. If the producer is missing any of these, then he would have to get this “buy-in” waiver for any of those in which he did not have coverage.

Another example would be a producer who grows sugarcane and soybeans as well as having a cattle and crawfish operation. Assume that the producer had significant damage to his soybean and sugarcane crops due to Hurricanes Gustav and/or Ike. For this producer to be able to participate in disaster assistance programs, he must have had NAP coverage on his 2008 crawfish crop, must have NAP cover for 2008 on his pastures, and must have crop insurance on his entire sugarcane and soybean crops. Again, if any of these are not fully covered, the producer would need to get the “buy-in” waiver to participate in the disaster programs.

Finally, assume a producer who only produces crawfish. If that producer expects what would be his 2009 crawfish production to be negatively impacted by Hurricanes Gustav and Ike, then this producer must purchase NAP coverage for his 2009 crawfish crop. In this case, the “buy-in” waiver does not apply since this waiver is only authorized for 2008 crops. For any impacted crop after 2008, the producer would have to have had purchased the appropriate coverage by the appropriate deadline. For example, the deadline for obtaining NAP coverage for 2009 crawfish production is September 30, 2008. .

As is easily seen, this process can become fairly complicated fairly quickly. **As such, it is strongly recommended that producers, who have any questions regarding their need to obtain the “buy-in” waiver, visit their local Farm Service Agency office.** The Farm Service Agency will be able to tell producers if they need or do not need to obtain this “buy-in” waiver or if they need to purchase either crop insurance or NAP coverage.