

Florida Citrus Recovery Grant Program

THE FLORIDA DIVISION OF EMERGENCY MANAGEMENT



BACKGROUND

- Bipartisan Budget Act (BBA) provided \$2.6 Billion for Disaster Assistance
- Sec. Perdue directed FSA to **Block Grant** \$340 Million to State of Florida
- Compensation to Producers for 2018 Crop Losses due to Hurricane Irma



Grant Compensation to Producer

- Federal pass-through grant
- Citrus Recovery Block Grant Program delivery in partnership with Farm Service Agency (FSA) and WHIP
- State staff collocated with USDA in FSA offices
- Payments made directly from the State to a Producer



Grant Program Overview

- Producer first applies for WHIP with FSA (WHIP sign-up ends 11-16-18)
- Producer then applies for Block Grant with the State
- A 20% loss of 2018 Crop = up to \$385 per acre - 15,000 Acre Limit
- A 40% loss of 2018 Crop = up to \$372.75 per acre for 2019 + 2020 - No Acre Limit
- BBA requires grant recipients to buy crop insurance for 2020 + 2021 Crop Years



Definitions

Eligible Crop

- Citrus crop affected by Hurricane Irma in 2017 (Crop Year is 2018 Crop Year)

Farming Operation

- Commercial Operation engaged in citrus production in Florida
- Located on a least one acre of farmland with at least 100 citrus trees
- The operation's Producer and crop are eligible for Federal Crop Insurance or NAP



Definitions

Eligible Producer Means

- Person, Partnership, Legal Entity
- Maintained a Farming Operation during Calendar Year 2017 that:
 - Grew (or attempted to grow) citrus in State of Florida
 - For 2018 Crop Year - Owned, Shared an Interest, had Risk of Loss in the Crop
 - Had documented citrus fruit losses due to Hurricane Irma
 - Timely applied for WHIP



Eligible Varieties

- Grapefruit, Lemon, Lime, Mandarin, Murcott
- Oranges
 - (Early-Mid-Late season, Navel, Temple, Valencia, Hamlin, Pineapple, Ambersweet, Honeybell)
- Pummelo, Tangelo, Tangerine, Tangor



Insurance Requirements

- Must purchase crop (fruit and tree) insurance for 2020 & 2021 at 60% coverage where available
- May also purchase whole farm revenue protection at 60% Level
- Must purchase noninsured disaster assistance (NAP) where crop insurance not available
- NAP must be for 2020 & 2021 at 60% Level -- or 50/55 basic NAP if 60% not available

- For List of Covered Crops Go to RMA's Info Browser
<https://webapp.rma.usda.gov/apps/actuarialinfomationbrowser>



Insurance Requirements Continued

- Producers who Cease a Farming Operation **Are NOT** required to purchase Crop Insurance
- Any payments already made to such Producer **Do NOT** have to be Refunded by Producer or by State to FSA



Funding

3 Specific Uses

- **Part 1** - Tree Resets, Grove Rehabilitation, Irrigation System Repair/Replacement (Est. \$129 Million)
- **Part 2** - Future Economic Losses (Est. \$182 Million)
- **Part 3** - Future Crop Insurance Purchase Requirements (Est. \$29 Million)

Note: Above costs are estimates.



Grant Part 1 (Estimated \$129M)

Resets - Rehabilitation - Repairs

- Producer with at least 20% production loss of 2018 crop citrus fruit
- Eligible for up to \$385 per acre (15,000 acre max)
- Producer must demonstrate on-going production & harvesting
- Producer must ensure funds are used as intended
- Producers who receive 2017 TAP for Hurricane Irma losses **Are Not** eligible for grant



Grant Part 1 Eligibility

- Replacing Damaged Trees
- Tree Architecture Recovery
- Tree Stand-up & Pruning & Hedging
- Damaged Root Systems
- Diseases & Pests
- Nutrition Activities
- Weed Management
- Replacement of Damaged Irrigation Equipment & Drainage System
- Ditch Repairs
- Other Activities as determined by the State



Grant Part 2 - Future Losses (Estimated \$182M)

- Producer with at least 40% Loss of production of 2018 crop citrus fruit
- No acreage limit
- Up to \$372.75/acre compensates for 2019 & 2020 expected losses
- Producer must demonstrate on-going farming operation
- Producer must have applied for Part 1



Production Loss Formula

$$\text{LOSS} = 1 - \left[\frac{\text{Production to Count}}{\text{Net Tree Acres} \times \text{Yield}} \right]$$



Grant Part 3 – Crop Insurance (Estimated \$29M)

- BBA requires Producer who receives WHIP or Block Grant funds to purchase crop insurance for the fruit and tree
- Purchase requirement is 60% Coverage level for 2020 & 2021 crop years
- Producers have two (2) insurance options:
 - 2-Year Option: (2020 & 2021 Fed Crop at 60% or NAP) Producer pays Fees & Premiums
 - 4-Year Option: (2020 thru 2023 Fed Crop at 60% or NAP) Producer:
 - is Reimbursed for 2020 & 2021 Fees & Premiums by State
 - must Pay 2022 & 2023 Fees & Premiums



Grant Part 3 Continued

Producer who Fails to purchase insurance under:

- 2-Year Option, must refund to FSA any Part 1 & Part 2 payments to Producer
- 4-Year Option, must refund to FSA any Part 1, Part 2 & Part 3 payments to Producer
- Producer may purchase more than 60%, but assistance is limited to 60% costs
- Producer must pay directly to insurance provider
- Producers **CANNOT** reorganize to avoid insurance requirement



Required Documentation

All Applications	Completed WHIP Application
	Proof of Crop Insurance for 2020, 2021
	Certification of Continued Operation, Maintenance and Productivity (with each payment)
Additional Documentation	
Part 1	Proof of purchase including receipts, invoices, or credit card statements
Part 2	Site Inspection (Yr 1 Payment \$372.25/acre)
	Proof of Insurance for 2020 (\$186.38/acre) and 2021 (\$186.38/acre)
Part 3	Proof of Insurance for 2022 and 2023 Crop Years

