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/actuarialinformationbrowser
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

\[ \text{LOSS} = 1 - \frac{\text{Production to Count}}{(\text{Net Tree Acres} \times \text{Yield})} \]
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

<table>
<thead>
<tr>
<th>All Applications</th>
<th>Completed WHIP Application</th>
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<tbody>
<tr>
<td></td>
<td>Proof of Crop Insurance for 2020, 2021</td>
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<tr>
<td></td>
<td>Certification of Continued Operation, Maintenance and Productivity (with each payment)</td>
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</tbody>
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### Additional Documentation

<table>
<thead>
<tr>
<th>Part 1</th>
<th>Proof of purchase including receipts, invoices, or credit card statements</th>
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</thead>
<tbody>
<tr>
<td>Part 2</td>
<td>Site Inspection (Yr 1 Payment $372.25/acre)</td>
</tr>
<tr>
<td></td>
<td>Proof of Insurance for 2020 ($186.38/acre) and 2021 ($186.38/acre)</td>
</tr>
<tr>
<td>Part 3</td>
<td>Proof of Insurance for 2022 and 2023 Crop Years</td>
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