



Program establishes automatic disaster payments

By James Sedman and
John Hewlett

Provisions in the 2008 Farm Bill address the seemingly perpetual need for emergency disaster assistance, including agricultural losses due to floods, droughts, hurricanes, freezes, and other natural disasters.

A permanent disaster trust fund and several targeted disaster relief programs were established to eliminate the need for ad-hoc disaster assistance on a yearly basis.

The centerpiece is the Supplemental Revenue Assistance Payments (SURE) program. SURE provides automatic disaster payments to producers whose individual farms or the region in which they operate suffer significant losses due to a natural disaster. As with all USDA programs, there are payment limitations – producers whose adjusted gross incomes exceed \$500,000 or whose disaster payment totals exceed \$100,000 are ineligible.

SURE Program Provisions

SURE payments occur when a portion of a producer's farm or ranch is in a declared disaster county or the actual on-farm production is less than 50 percent of expected production. SURE differs from past disaster programs where it requires enrollment in federally backed crop insurance or the Non-insured Crop Disaster Assistance Program (NAP) for all crops economically significant to the farm (other than forage crops for grazing).

Economically significant crops are those contributing at least 5 percent of total farm revenue. SURE



allows for crops not considered economically significant, such as horticultural or vegetable crops, and does not require insurance for them to be included in the program. The revenue guarantee defined by the crop insurance policy forms the basis for the SURE guarantee. This guarantee cannot exceed 90 percent of a farm's or ranch's total expected revenue.

All of a farm's acreage of a given crop is considered part of the SURE guarantee regardless of production practice (irrigated or dryland, for example).

A SURE payment is triggered when a producer either is in a declared disaster county and experiences a 10-percent or higher production loss or a 50-percent or higher

loss due to a natural disaster. Any payment will be 60 percent of the difference of the SURE guarantee and the total farm revenue for the year. Total farm revenue includes all crop value, crop insurance, and NAP payments, other disaster program payments, 15 percent of any direct payments, and all farm program payments.

The detailed process for determining a SURE payment is outlined in an example spreadsheet at www.fsa.usda.gov. Click the Disaster Assistance Programs link on the left-side menu to view the SURE information.

Risk Management Planning including SURE

Producers who utilize SURE in their risk management plan-

ning should consider the following. Where the SURE guarantee is directly tied to any insurance guarantee, it will most likely be the amount of insurance coverage coupled with the size of the loss that will determine the disaster payment.

In other words, the higher the level of crop insurance coverage selected (for both price and yield elections), the higher the level of potential SURE payment. For instance, carrying minimal NAP coverage of 50 percent on losses 50 percent or greater will result in a much smaller SURE payment than if the producer was carrying a Crop Revenue Coverage (CRC) policy with a 90-percent yield and a 90-percent price guarantee. In addition, SURE and other disaster as-

sistance programs are not intended to be the sole source of relief – rather, they are designed to work directly with insurance products and government payments to fill the gap between insurance coverage and actual revenue.

For More Information

A detailed policy paper on the SURE program entitled *Supplemental Revenue Assistance Payments Program (SURE): Wyoming* is available at Western Risk Management online at agecon.uwyo.edu/riskmgmt. Click on the Production link on the left-hand side of the page for an alphabetical listing.

Consult local Farm Service Agency personnel for more information on available disaster assistance programs or the FSA Web site at www.fsa.usda.gov and click Disaster Programs.

For more information on what crop insurance policies will qualify an operation for these programs, consult a crop insurance agent. They are able to tailor a policy to fit specific risk management planning needs.

For more information on this and other risk management topics on the Web, visit the Western Risk Management Library's Web site.

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EPA comment period on proposed pesticide permits may start this month

By Office of Communications
and Technology
University of Wyoming
Cooperative Extension Service

Pesticide applications to, over, or near water will require a written permit approved by the Wyoming Department of Environmental Quality starting April 2011.

The new permit system is part of the National Pollutant Discharge Elimination System (NPDES) within regulations in the Clean Water Act. The Environmental Protection Agency (EPA) administers the Clean Water Act and is writing draft regulations for the new permits, said Sandra Frost, University of Wyoming Cooperative Extension Service educator in Park County.

The EPA hopes to publicly propose the permit by May 26 and hold a series of public meetings and

webcasts during a 30-day comment period, said Hank Uhden, manager, Technical Services Division, Wyoming Department of Agriculture.

Wyoming will develop its own permit based on the EPA draft, he said.

In addition to creating a permit system, the EPA will set pesticide application thresholds. If an application will be above the thresholds, notice of intent must be filed at least 30 days prior to an application under the permit.

A pesticide discharge management plan will be required of all those operating under the permit. Water quality monitoring, annual reporting, and detailed recordkeeping will be part of the permit scope.

"Typical applications that will require permits include mosquito and other aquatic nuisance insect control, aquatic weed and algae con-

trol, area-wide and ditch bank pest control, and aquatic nuisance animal control," said Frost. "Irrigation return flows and agricultural storm runoff will still not require NPDES permits because they are exempted from the Clean Water Act."

Projections are about 5.6 million applications by 365,000 applicators using 400 or more different chemicals under 3,500 different product labels will be processed in one year nationwide, said Frost.

To comment on the proposed regulations or for more information, contact Uhden at (307) 777-6574 or huhden@state.wy.us

For more information, go to EPA's training Web site http://cfpub2.epa.gov/npdes/outreach.cfm?program_id=0&otype=1. Under Self-paced Web Training, click on Permit Writers Training for a list of topics.

