



Fact Sheet August 2003

Sugar Beet Disaster Program

Overview

USDA Farm Service Agency's (FSA) Sugar Beet Disaster Program provides payments to producers who suffered 2001- or 2002-crop year sugar beet production losses due to adverse weather conditions. The program, authorized by the Agricultural Assistance Act of 2003, is funded up to \$60 million.

Eligibility

To be eligible, producers must have sustained at least a 35 percent loss in sugar beet production in either the 2001 or 2002 crop years. The loss must have been sustained due to a weather-related condition. Eligible losses include:

- production losses in quantity and quality while the sugar beets were still in the field; and
- acreage that was prevented from being planted.

In addition, to be eligible, producers:

- must, for the 2001 or 2002 crop year as applicable, have been in compliance with the Highly Erodible Land Conservation and Wetland Conservation provisions of 7 CFR Part 12; and
- must not otherwise be barred from receiving benefits under 7 CFR Part 12 or any other law.

Any producer who elected not to purchase crop insurance for sugar beets for the year for which disaster benefits are received (or elected not to participate in the Non-insured Crop Disaster Assistance Program [NAP] if insurance was not available) is required to purchase crop insurance with additional coverage (or NAP, if insurance is not available) for the next available 2 crops years.

Persons whose gross revenue exceeds \$2.5 million are ineligible to receive payments.

Proof of Loss

Where available and determined accurate, USDA Risk Management Agency (RMA) loss records will be used as proof of loss for insured sugar beets. Producers without RMA crop insurance for sugar beets must provide documentation for the following:

- the number of acres;
- normal yield;
- actual production for applicable disaster year; and
- sugar percent by unit for 2001 or 2002.

All information provided is subject to verification and spot checks by FSA. Certifications by the owner or third parties will not be accepted as proof of loss.

Payments

Payments will be issued soon after sign-up ends. Producers can receive up to \$80,000 per person for either the 2001 or 2002 crop years, but not both. Applicants with eligible losses in both years will receive payments for the year in which the larger loss occurred.

Payments will be based on the highest of the following three options:

- Option A: 60 percent of the producer's crop insurance indemnity;
- Option B: 65 percent of the producer's expected production *minus* the producer's actual production *times* 55 percent of Multi-Peril Crop Insurance price election (\$36 a ton for 2001 and \$33 a ton for 2002).
- Option C: 100 percent of the producer's expected production minus the producer's actual production times \$12.50 per ton.

No person may receive payments in an amount that exceeds 100 percent of the value of the expected production. The sum of the value of the crop not lost, the disaster payment, and the net crop insurance indemnity cannot exceed 100 percent of what the crop's value would have been if there had been no loss.

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If the total value of eligible sugar beet disaster applications exceeds the available funding, a national payment factor will be applied to payments issued to producers.

Sign-up

Sign-up for the program begins September 15, 2003, and ends October 31, 2003. Producers with eligible losses can file an application for benefits at their local FSA offices anytime during the sign-up period.

For More Information

Regulations for the Sugar Beet
Disaster Program are located in 7
CFR Part 1480, available on FSA's
Web site at:
http://www.fsa.usda.gov/pas/
fed_regs/fedreg.htm

More information on the Sugar Beet Disaster Program is available at local FSA offices or on FSA's Web site at: http://disaster.fsa.usda.gov/

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