## Farm Service Agency Aquaculture(Farm-Raised) Disaster Programs

BY JAMIE EPSTEIN, DISASTER PROGRAMS KEY PROGRAM TECHNICIAN FOR NY FSA

# FSA offers 2 Permanent Disaster Programs for Farm-Raised Fish

#### **ELAP**

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program

ELAP provides emergency assistance to eligible producers of livestock, honeybees, and farm-raised fish that have losses because of disease, adverse weather, or other conditions as determined by the Secretary of Agriculture.

#### NAP

Noninsured Crop Disaster Assistance Program

NAP is designed to reduce financial losses that occur when natural disasters cause a loss of production, loss of value, or prevented planting of an eligible crop.

### Differences Between the 2 Programs

#### **ELAP**

Covers physical losses due to an eligible disaster event in excess of normal mortality losses.

Covers purchased or harvested feed losses due to an eligible disaster event.

Does not have a service fee or premium fee to be eligible for payments.

Coverage period begins Jan. 1 and ends on 12-31.

#### NAP

Covers physical losses due to an eligible disaster event in excess of normal mortality losses.

Requires a service fee or the submission of a socially disadvantaged/limited resource/beginning farmer/veteran farmer form (CCC-860) to be eligible for coverage.

Coverage begins Oct. 1 and ends on Sept. 30.

## Eligible Producers

ELAP NAP

Owner of fish must own or lease the property with readily identifiable boundaries.

Have control of the waterbed and the ground under the specific type of water; not just control of column of water.

Provide purchased or produced feed to the farm raised fish. Owner must own or lease private property with readily identifiable boundaries.

Have control of the waterbed and the ground under the specific type of water; not just control of column of water.

Be a commercial operator on private property.

## Eligible Farm-Raised Fish

Any game or baitfish raised for sport by recreational anglers that have been approved.

Any species grown for human consumption that have been approved.

Fish raised as food for fish that are consumed by humans.

Ornamental fish propagated and reared in an aquatic environment.

Any species grown for human consumption that have been approved for coverage.

Fish raised as feed for fish that are consumed by humans.

### Examples of Eligible Types of Farm-Raised Fish:

ELAP

Large Mouth Bass Black Tilapia

Small Mouth Bass Bluegill

Walleye Channel catfish

Trout

Minnows Koi Carp

Large Mouth Bass

Perch

Trout

## Eligible Causes of Loss: Physical Farm-raised fish losses

Both programs have the similar eligible causes of loss:

#### Examples:

- Earthquake
- Excessive heat
- Flood
- Hurricane
- Freeze
- Lightning
- Drought (NAP Only)

## Ineligible Loss Conditions

Both programs have similar ineligible causes of loss

#### Examples:

- Brownouts:
  - Reduction in electric power that affects the unit
- Failure of the power supply
- Failure to follow good aquaculture practices
- Neglect or malfeasance of a producer
- Wildlife damage
- Lack of market for the fish
- Growing environments that do not meet the "Controlled Environment" Requirements.

#### Controlled Environment

#### Definition:

• Means an environment, with respect to crops for which a controlled environment is expected to be provided, including but not limited to ornamental nursery, aquaculture (including ornamental fish), and floriculture, an environment in which everything that can practicably be controlled with structure, facilities, growing media (including but not limited to water, soil, or nutrients) by the producer, that is in fact controlled, as determined by industry standards.

### Controlled Environment: Aquaculture

#### Flood Prevention

- Aquaculture facility is in an area not prone to flooding.
- In the case of raceways, devices or structures designed for the control of water level.

#### Growing media:

- Provides nutrients necessary for the production of the aquaculture species.
- Protects the aquacultural species from harmful species or chemicals.

#### Feeding:

Provide enough feed to obtain the expected production results. Producer must show upon request, evidence
of providing adequate feed, vitamins, and minerals.

#### Irrigation & Water Quality

 Have systems and practices in place to ensure the fish have adequate, quality water, and having equipment designed to control the chemical balance and oxygenation of water.

#### **Predator Control**

- The fish are not placed in an area prone to suffer losses from predators
- The environment is designed to prevent loss from predators

#### **Disease Control**

 Disease is not a recognized cause of loss unless the disease in the fish can be tied to damaging weather or adverse natural occurrence.

## Farm Raised Fish – Feed Loss ELAP only

Feed must be purchased or harvested feed intended for use as feed for the applicant's eligible fish.

Damaged or destroyed because of eligible loss condition.

Physically located in the county where the eligible loss condition occurred on the beginning date of the eligible loss condition.

#### Eligible loss conditions for feed losses:

#### Examples:

- Earthquake
- Flood
- Hurricane
- Tornado
- Wildfire

What documentation is required from the producer to be eligible to participate in these programs?

ELAP	NAP	
FSA-578 Acreage Report (surface acres of water).  • Due on 9-30 in previous year	FSA-578 Acreage Report (surface acres of water).  • Due on 9-30 in previous year	
Leases/Ownership proof of aquaculture facility.	Leases/Ownership proof of aquaculture facility.	
Verifiable or reliable of inventory on the beginning and ending date of the eligible loss condition.	Verifiable or reliable proof of eligible loss condition.	
Verifiable or Reliable death loss records.	Verifiable or reliable of inventory on the beginning and ending date of the eligible loss	
Documentation to support control of aquaculture facility.	condition.  Verifiable or Reliable death loss records.	
Documentation to support ownership of fish.	Documentation to support control of	
Documentation to support eligible controlled	aquaculture facility.	
environment and best management practices were being followed.	Documentation to support ownership of fish.	
For Feed loss, verifiable or reliable documentation of purchased and/or harvested feed.	Documentation to support eligible controlled environment and best management practices were being followed.	

## FSA Responsibilities

ELAP

**Establish Natural Mortality Rates** 

- For each species
- By size
- Be approved by the National Office prior to the start of the ensuing program year.

Establish Standard Unit of measure

 Examples: Gallons, Inches, Pieces, and Pounds

Establish Average Fair Market Value based on Unit of Measure

NAP

Establish Natural Mortality Rates

- For each species
- By size
- Be approved by the National Office prior to the start of the ensuing program year.

Establish Standard Unit of measure

 Examples: Gallons, Inches, Pieces, and Pounds

Establish Average Fair Market Value based on Unit of Measure

### Example of Standard Unit Conversion - NAP

Step	Action	Example 1	Example 2	Example 3
1	Determine	1 gallon of:	1 pound of:	1 9-inch fish = $$2.50$
	the			1 12-inch fish = \$4
	applicable	<ul> <li>fingerlings = \$15</li> </ul>	<ul> <li>fingerlings = \$5</li> </ul>	1 15-inch fish = \$5.50
	unit of	<ul> <li>9-inch fish = \$30</li> </ul>	<ul> <li>9-inch fish = \$7</li> </ul>	
	measure and	• 12-inch fish = \$45	• 12-inch fish = \$10	
	the value of each.	• 15-inch fish = \$60	• 15-inch fish = \$12	
2	Determine	STC determined that	STC determined that	STC determined that
	the standard	the standard unit is	the standard unit is	the standard unit is
	unit of	1 gallon of fingerlings.	•	inches using the 9-inch
	measure and notify COC.		fingerlings.	fish.
3	Convert each unit of	\$15 ÷ \$15 = 1 unit	$5 \div 5 = 1 \text{ unit}$	$2.50 \div 2.50 = 1$ unit
		$$30 \div $15 = 2 \text{ units}$	$7 \div 5 = 1.4 \text{ units}$	\$4 ÷ \$2.50 = 1.6 units
	by using the	$$45 \div $15 = 3 \text{ units}$	$10 \div 5 = 2 \text{ units}$	\$5.50 ÷ \$2.50 = 2.2 units
	values of	\$60 ÷ \$15 = 4 units	$12 \div 5 = 2.4 \text{ units}$	2.2 (1110)
	each unit of			The producer
	measure.	The producer	The producer	harvested 10 9-inch
		harvested 100 gallons	harvested 2 pounds of	fish, 5 12-inch fish,
		of fingerlings,	fingerlings, 5 pounds	and 15 15-inch fish.
		50 gallons of 9-inch	of 9-inch fish,	Therefore, the
		fish, 75 gallons of	10 pounds of 12-inch	producer has 51 units.
		12-inch fish, and	fish, and 20 pounds	
		80 gallons of 15-inch	of 15-inch fish.	
		fish. Therefore, the	Therefore, the	
		producer has	producer has 77 units.	
<u> </u>		745 units.		

# Payment Calculations: ELAP; Physical Fish Losses

Formula: Pounds of eligible farm-raised fish that died in excess of normal mortality x the average fair market value established for size and type of fish x National Program Payment Factor x Congressional Sequestration Rate.

#### Example:

- Producer suffers a death loss of 25,000 largemouth (15-inch, 1 pound average) bass because of
  excessive heat. Beginning inventory was 25,000 and ending inventory was zero. The national payment
  factor is 75%. The value established for this size of largemouth bass is \$10.00/Pound and the established
  normal mortality rate is 17%.
- \$10 x 20,750 fish (25,000 x 17% NM) x 75% x 5.7% = \$146,754.38 (rounded)

### Payment Calculations: NAP; Physical Fish Losses

Payment Formula: Value of Inventory Before Disaster x Established Natural mortality Rate – Value of Ending Inventory x Congressional Sequestration Rate.

The NAP Program as payment limits:

- Basic Coverage (50/55) limit is \$125,000
- Buy-up coverage for 50/100 to 65/100 is \$300,000
  - With buy-up coverage, a producer must select a maximum dollar value (what is the maximum amount your inventory is worth during the program year).

Producer has \$100,000 in value immediately before the disaster event. Natural mortality rate is established at 20% for the fish type and size. Ending inventory value is zero (all fish died):

• \$100,000 - \$20,000 (20% NM) =\$80,000 - 5.7% Sequestration rate = \$75,440 payment

## Payment Calculations: ELAP; Farm-Raised Fish Feed Losses

#### 2 Types of loss:

- Purchased Feed
- Harvested Feed

#### Purchased Feed Example:

- Eligible producer purchased 1,000 pounds of feed at a cost of \$2,000. A tornado hit the storage structure where the purchased feed was stored, all was destroyed. The producer files a Notice of loss with the County Office and provides purchase receipts which verify type of feed and cost.
- Calculation: \$2,000 x 60% (National Payment Factor) = \$1200 x 5.7% Sequestration Factor = \$1,131.60 payment

## Payment Calculations: ELAP; Farm-Raised Fish Feed Losses — Cont.

#### Harvested Feed Loss

- Value of harvested Feed
  - Producers are responsible for providing the following:
    - Verifiable or reliable evidence of either or both of the following:
      - Participant had the ability to produce the kind and amount of feed stuffs claimed lost.
      - Participants paid the expenses for producing and/or harvesting the feed stuffs.
- Eligible producer harvested a 1,000 pounds of feed. A tornado hit the storage structure
  where the harvested feed was stored, all feed was destroyed. The producer files a Notice of
  loss with the County Office and provides sales ads and a harvest to support the amount and
  value of the feed. The value of the feed was determined to be \$2,000.
- Calculation: \$2,000 x 60% (National Payment Factor) = \$1200 x 5.7% Sequestration Factor = \$1,131.60 payment

### FSA Information

FSA uses a County Committee System to make Eligibility Determinations.

County Committee members are elected for 3-year terms

They are elected by landowners and farmers within the county

For ELAP, producers who are eligible under FSA Beginning Farmer, Socially Disadvantage, Limited Resource, and/or Veteran Farmer rules are eligible for different payment factors:

• For physical fish and feed losses, the payment factor in 90% (10% reduction as compared to 75% for fish loss and 60% for feed losses).

For more information contact your local FSA County Office:
You can use the service – center -locator tool @ farmers.gov

