

WHIP Not Only Applies to Baseball- Enrollment at FSA Now Open!

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Historically, Midwest producers have seen the acronym **WHIP** and associated it with the baseball statistic (Walks plus Hits per Inning Pitched), a statistic used to cross evaluate pitchers. However, Midwest producers might find it beneficial to participate in a federal aid program through the United States Department of Agriculture (USDA) with the same acronym, **Wildfires and Hurricane Indemnity Program Plus (WHIP+)**.

Ohio producers have rarely qualified for WHIP+ because the weather eligibility requirements could not be met. However, when President Trump signed the **Additional Supplemental Appropriations for Disaster Relief Act** in June 2019 it provided more than \$3 billion to the USDA for WHIP+ to help US producers who were affected by natural disasters in 2018 and 2019. WHIP+ builds on its predecessor program the 2017 Wildfire and Hurricane Indemnity Program (2017 WHIP) that was authorized by the Bipartisan Budget Act of 2018.

Ohio producers may recall the “Top-Up” payments in 2019 which supplemented prevented planting payments on eligible crops with a maximum of a 15% bonus payment (15% for Revenue Protection, Yield Protection and 10% for Revenue Protection with Harvest Price Exclusion).

The **Further Consolidated Appropriations Act of 2020**, passed and signed in December 2019, provided an additional \$1.5 billion for continued assistance through WHIP+ and expanded qualifying losses due to excessive moisture and D3 and D4 drought. Drought severity rankings range from D0 (Abnormally Dry) to D4 (Exceptional Drought). Producers of crops, trees, bushes, and vines who experienced losses in 2018 and 2019 due to natural disasters are eligible to apply for funding through the Farm Service Agency (FSA). Livestock losses are covered by other disaster programs through FSA and are not eligible for WHIP+.

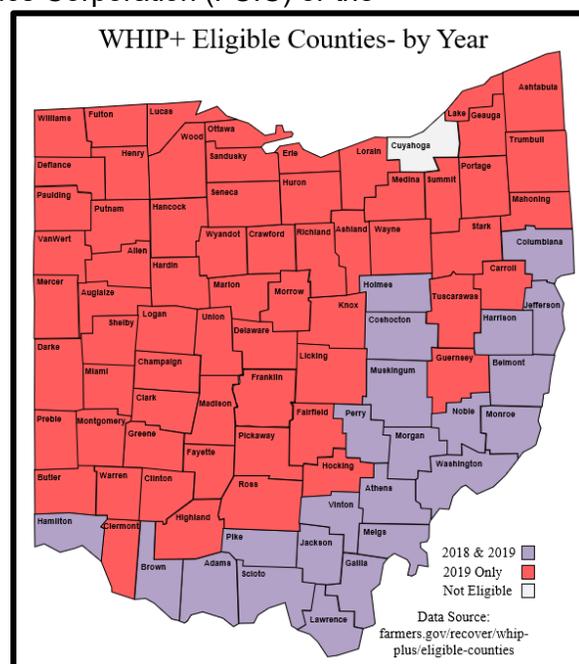
It is estimated that producers who experienced yield losses in 2019 or were not covered by an insurance product either under the Federal Crop Insurance Corporation (FCIC) or the Noninsured Crop Disaster Assistance Program (NAP) will be the primary beneficiaries of WHIP+.

Eligibility and Application Process

Eligible producers are those from a primary Presidential or Secretarial disaster county or producers who can provide documentation that a loss occurred because of a qualifying disaster. In Ohio, all counties except for Cuyahoga County were declared eligible in 2019 with counties primarily along the Ohio River also eligible in 2018. The map to the right shows county eligibility by year (red-2019 only and purple-2018 & 2019). A full county list can be found at:

<https://www.farmers.gov/recover/whip-plus/eligible-counties>

Sign-up for WHIP+ through the Farm Service Agency began March 23, 2020 A deadline has not been set; however, it is recommended that producers either



express intent or file and application with their local FSA office as soon as possible. The application is straightforward and can be found at:

<https://www.farmers.gov/sites/default/files/documents/Form-FSA-894-WHIP-Plus-Application.pdf>.

The information required in the application process includes verifiable and reliable production records by crop, type, practice, intended use and acres if not already on file. Crop insurance records are a form of verifiable and reliable production records. Recipients of WHIP+ benefits are required to purchase either FCIC or NAP insurance for the next two eligible years at the 60% or greater coverage level. Producers who did not purchase insurance in 2020, but would like to participate in the 2019 WHIP+ program, are eligible but would need to buy coverage in 2021 and 2022.

Payments

Payments are intended to provide assistance for producers who experienced a crop, tree, bush or vine loss due to a natural disaster in excess of FCIC or NAP net indemnities and the value of the harvested crop. For the 2019 and 2020 crop years, the USDA has indicated an initial 50% of the calculated payment will be issued after the application is processed with the remaining payment paid after January 1, 2020. It is unclear if 100% will be paid upon approval, since January 1st has passed.

Formula

WHIP+ Payment = Expected Value of Crop x WHIP Factor – Actual Value of Crop Harvested x Payment Factor- NAP Payment or crop insurance indemnity received by producer

The WHIP Factor- ranges from 70 to 95% and is connected to the producer's coverage level of FCIC and NAP. Producers with no coverage have a WHIP+ Factor of 70% and producers who elected the highest coverage levels receive a 95% factor.

Coverage Level	WHIP+ Factor
Uninsured	70%
CAT (FCIC) or NAP BASIC	75%
50%-55%	77.5%
55%-60%	80%
60%-65	82.5%
65%-70%	85%
70%-75%	87.5%
75%-80%	92.5%
80% or above	95%
Supplemental Coverage Option	95%

The Payment Factor varies by state and commodity and is set to reflect the damages lost when the crop is not harvested or prevented from being planted. This value is unknown to the public at the current time.

How USDA plans to calculate Actual value of the Crop Harvested is also unknown at the current time. Without this value and the payment factor it is difficult to estimate expected payments

from the program. The FSA has indicated payments will be calculated on a Farm basis, but it is unclear if that means FSA Farm Number, Crop Insurance Farm or Operational Farm.

Summary

Producers who suffered losses to crops, bushes, vines or trees in 2018 and 2019 due to excess moisture or D3-D4 drought are eligible for WHIP+. All counties minus Cuyahoga County in Ohio are eligible in 2019 or if producers can provide documentation of losses from qualified natural disasters. There are still many unanswered questions about how the payments will be calculated or an estimate of classification of producers most likely to receive benefits. It is believed by the authors, producers who experienced large production losses on a whole farm basis, producers not covered under the Federal Crop Insurance Program or Noninsured Crop Disaster Program or prevent plant producers who experienced a loss greater than their insurance indemnity are likely to see the largest benefit. The application is rather straightforward, and producers are encouraged to call their FSA office and express intent to apply and start the process. Procedures from there may vary from county to county. Follow your county FSA Office guidelines for WHIP+. An informational sheet about the program can be found at: https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdfiles/FactSheets/2019/wildfire-and-hurricane-indemnity-program-plus_whip.pdf

References

U.S. Department of Agriculture. "USDA Opens Wildfires and Hurricane Indemnity Program Plus (WHIP+)." Press Release No. 0170.20. February 28, 2020. <https://www.usda.gov/media/press-releases/2020/02/28/usda-opens-wildfires-and-hurricane-indemnity-program-plus-whip>

U.S. Department of Agriculture. Farmers.gov *Wildfire and Hurricane Indemnity Program Plus*. <https://www.farmers.gov/recover/whip-plus>