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## 2008 SURE disaster claims begin in January

by Steven D. Johnson, farm and ag business management specialist, Iowa State University Extension, (515) 957-5790, [sdjohns@iastate.edu](mailto:sdjohns@iastate.edu)

**U**SDA's Farm Service Agency announced that growers could sign up for disaster payments on 2008-crop losses starting Jan. 4, 2010. A final application date for the 2008 SURE Program has not been determined. The news is welcome after the original sign up date of Nov. 2, 2009 passed and final regulations by the USDA Farm Service Agency (FSA) were not released.

The new disaster program called Supplemental REvenue Assistance program (SURE), created as 2008 farm law, is a permanent disaster program that is directly tied to the level of crop insurance purchased. What's different is that instead of covering losses on individual crops, SURE triggers only when your whole farm income falls below a pre-established threshold. That trigger includes revenue from all crops on all farms in all counties in all states. Harvested forage and specialty crops also needed to be protected with either crop insurance or Non-Insured Crop Disaster Assistance Program (NAP) policies to guarantee your whole farm eligibility.

If 2008 total farm revenue meets the threshold for losses, farmers could be entitled to financial assistance. Estimates for losses could be worth upwards of \$100 per acre for some Iowa farms. Iowa was hard hit by excessive spring floods during the 2008 season and some growers suffered severe yield losses. In addition, 2008 saw record high crop insurance price guarantees that will benefit producers that elected crop insurance revenue coverage.

In general, the better your crop insurance coverage, the more likely of collecting a crop disaster payment under the new law. For example, those farmers who select CAT coverage will have their SURE coverage based on 50 percent coverage at 55 percent of the price. However, farmers insuring at the 75 percent level will also have their SURE disaster aid based on 75 percent coverage at 100 percent of the price election. That price election for 2008 crop insurance revenue products was \$5.40/bu for corn and \$13.36/bu for soybeans, respectively. This revenue guarantee will be compared to the actual revenue loss for all farms.

Since the national average cash price is used to determine the amount of the SURE claim, losses cannot be determined until approximately one year after the fall harvest when this national cash price average is known. The actual marketing year prices for the 2008 crops were \$4.06 for corn and \$9.97 for soybeans.

SURE is available to eligible producers on:

- 1) Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production losses and/or crop quality losses during the crop year;
- 2) Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than the normal production of the farm.

In 2008, 69 of Iowa's 99 counties received disaster declarations from the USDA Secretary of Agriculture plus an additional 21 were contiguous counties. Thus farmers in 90 counties will be initially eligible to file for SURE claims.

The SURE revenue guarantee is based on a complex calculation of whole farm revenue. At least a 10 percent yield loss on one major crop is required in order to file a claim. In Iowa this crop will likely have been soybeans in 2008 as state's final yield of 46 bu/A proved to be about 10 percent below the state's five-year trendline yield. Producers with very diverse cropping mixes will be less likely to collect SURE disaster payments than farms with traditional corn-soybean rotations. That's because of the lack of crop insurance coverage or NAP coverage purchased for these crops. However, any crop deemed of economic significance should have been insured in 2008 or NAP coverage purchased. This includes any crop that has attributed to at least 5 percent of the total crop revenue of all the participant's crops on the farm.

Please contact your local USDA Farm Service Agency (FSA) office for final details on filing 2008 SURE Loss Claims which began Monday, Jan. 4.

For an overview of USDA Disaster Assistance Programs, see the links on the FSA web site: <http://www.fsa.usda.gov/FSA/webapp?area=home&subject=diap&topic=landing>

For a copy of the 19-page final SURE regulations posted to the Federal Register on Dec. 28, 2009, go to: <http://frwebgate4.access.gpo.gov/cgi-bin/PDFgate.cgi?WAISdocID=031776200208+1+2+0&WAISaction=retrieve>

For a more basic explanation of the SURE program, see Iowa State University Extension's explanation of SURE at the Ag Decision Maker web site: <http://www.extension.iastate.edu/agdm/crops/html/a1-44.html>

Updates, continued from page 1

**Internet Updates**

The following updates have been added on [www.extension.iastate.edu/agdm](http://www.extension.iastate.edu/agdm).

- Introduction to Grant Writing** – C5-06 (4 pages)
- Conducting Focus Groups** – C5-31 (2 pages)
- Writing Materials for Promotion** – C5-131 (2 pages)
- Writing Press Releases** – C5-132 (2 pages)
- Writing a Newsletter** – C5-133 (1 page)
- Writing and Designing a Brochure** – C5-134 (3 pages)
- Creating a Display** – C5-135 (2 pages)
- Creating a Web Site** – C5-136 (4 pages)
- Creating a PowerPoint Presentation** – C5-137 (2 pages)
- Creating Business Cards** – C5-138 (1 page)

**Decision Tools and Current Profitability**

The following tools have been added or updated on [www.extension.iastate.edu/agdm](http://www.extension.iastate.edu/agdm).

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| <b>SURE Payment Calculator</b> – A1-44         | <b>Biodiesel Profitability</b> – D1-15      |
| <b>Season Average Price Calculator</b> – A2-15 | <b>Returns for Farrow-to-Finish</b> - B1-30 |
| <b>Corn Profitability</b> – A1-85              | <b>Returns for Weaned Pigs</b> - B1-33      |
| <b>Soybean Profitability</b> – A1-86           | <b>Returns for Steer Calves</b> - B1-35     |
| <b>Ethanol Profitability</b> – D1-10           | <b>Returns for Yearling Steers</b> - B1-35  |

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