WHIP

2017 Wildfires and Hurricanes Indemnity Program
WHIP Authority

Statutory
- The Bipartisan Budget Act of 2018, Pub. L. 115-123, authorizes the Secretary to implement WHIP.

Regulatory
- 7 CFR Part 760, Subpart O
WHIP provides assistance for losses due to hurricanes and wildfires occurring in the 2017 calendar year for:

- Crops
- Value loss crops
- Trees, Bushes, and Vines

Crops with an intended use of grazing are not eligible for WHIP.
The Bipartisan Budget Act provides:

- $2,360,000,000
- Initial Payment of 50%
WHIP payment limitation is $125,000.

There is potential to receive $900,000

- 75% of applicant’s average AGI from farming, ranching, forestry for years 2013, 2014 and 2015.
WHIP Assistance

WHIP pays for losses on crops that were:
- Insured
- NAP covered
- Uninsured crops

Linkage applies to all crops receiving a WHIP payment. The producer is required to purchase with NAP or Crop Insurance if available for the next two available years.
WHIP Assistance

Linkage:

• Coverage level must be 60/100 or greater

• Last possible years to purchase are 2020 and 2021
WHIP Payment Calculation

(\textbf{Expected Value} \times \textbf{WHIP factor})

= WHIP Value

\textit{minus}

\textbf{Actual Value}

\textit{minus}

\textbf{Indemnity}

\textit{minus}

\textbf{Secondary Use} and/or \textbf{Salvage Value}

\textit{Wildfires and Hurricanes Indemnity Program (WHIP)}
### WHIP Factor

<table>
<thead>
<tr>
<th>Coverage level</th>
<th>WHIP Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured</td>
<td>65%</td>
</tr>
<tr>
<td>CAT or NAP Basic 50/55</td>
<td>70%</td>
</tr>
<tr>
<td>50% - &lt;55%</td>
<td>72.5%</td>
</tr>
<tr>
<td>55% - &lt;60%</td>
<td>75%</td>
</tr>
<tr>
<td>60% - &lt;65%</td>
<td>77.5%</td>
</tr>
<tr>
<td>65% - &lt;70%</td>
<td>80%</td>
</tr>
<tr>
<td>70% - &lt;75%</td>
<td>85%</td>
</tr>
<tr>
<td>75% - &lt;80%</td>
<td>90%</td>
</tr>
<tr>
<td>&gt; = 80%</td>
<td>95%</td>
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</tbody>
</table>

Wildfires and Hurricanes Indemnity Program (WHIP)
Sign-up period for WHIP began July 16, 2018

• Deadline November 16, 2018
• All signatures must be received by the sign-up deadline
• No late-file provisions
Questions