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 Assistance

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.
Funding

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

\[
(\text{Expected Value times WHIP factor})
\]

\[
= \text{WHIP Value minus Actual Value minus Indemnity minus Secondary Use and/or Salvage Value}
\]

Wildfires and Hurricanes Indemnity Program (WHIP)
<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>
</tr>
</tbody>
</table>
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