



Task Force

Disaster Payments for Low-Quality '92 Indiana Corn

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Indiana producers of the 1992 corn crop whose harvest was of low quality may be eligible for disaster payments under an assistance program announced this week by the U.S. Secretary of Agriculture. The special program was announced after a meeting between the secretary and Michigan corn producers and congressional delegates. Much of the 1992 corn crop grown in the Upper Midwest was characterized by low test weight, high amounts of foreign material, damaged kernels, and excessive moisture contents. Often drying charges and discounts exceeded the value of the corn.

Adjustments in production will be made for those producers who suffered losses because of reduced quality caused by damaging weather or related conditions. The factors for determining actual production will be: 80% for Grade No. 4, 50% for Grade No. 5, and 15% for Sample Grade. Production evidence by the producer is needed to determine quality grades by the Agricultural Stabilization and Conservation Service offices. If the grade is not shown but grading factors are, the grading factors are used to determine the grade. If neither the grade nor the grading factors are shown, then the producer has to request grading documentation from (a) the buyer if sales evidence is available, or (b) the warehouse or delivery point if a load summary or assembly sheet is available. In all other cases, or in cases when no production evidence is available, the grade will be assigned based on the average grade for corn produced on similar farms.

Producers who filed a written disaster application for 1992 corn may amend the previously filed application to include losses due to reduction in quality of the crop. In addition, producers who have not received disaster benefits for both 1990 and 1991 crop years may file a new application during this special application period. Producers are required to purchase multiple peril crop insurance for 1993 corn if the adjustment in production results in a loss of 65% or more. The application period under the Disaster Assistance Program begins today (April 14), and ends May 7. Production evidence must be submitted by June 11, 1993. Producers are encouraged to contact their ASCS county offices to see if they qualify.