



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

BULLETIN NO.: MGR-01-022

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Phyllis W. Honor /s/ Phyllis W. Honor 8-24-01
Acting Administrator

SUBJECT: Insurability of Non-Irrigated Spring Crops Planted on Grazed Small Grain Acres
in Texas, Oklahoma, and New Mexico

BACKGROUND:

According to section 5(b)(5) of the Cotton Crop Provisions (7 C.F.R. 457.104), cotton is not insurable if “grown on acreage on which a small grain crop reached the heading stage in the same calendar year unless the acreage is irrigated or adequate measures are taken to terminate the small grain crop prior to heading and less than fifty percent of the small grain plants reach the heading stage.”

Similarly, in Texas, Oklahoma, and New Mexico the Special Provisions for crops other than cotton (e.g., grain sorghum) state that insurance shall not attach or be considered to have attached on any acreage which is non-irrigated and from which a small grain crop reached the heading stage in the same calendar year.

According to the Cooperative State Research, Education, and Extension Service (CSREES), like most dress plants, the wheat head stays below the soil surface until the plants reach the reproductive stages in the spring. When the plants reach between knee and thigh high, the hollow stem becomes visible at the soil surface, the heads exert, and the wheat undergoes a rapid growth period. This process is called heading. Water consumption by the crop appears to be proportional to this rate of growth.



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According to CSREES, the heading stage usually begins around March 1. Grazing the crop up to April or May is called graze out. Graze out of the crop leaves poor seedbed conditions and very little stored soil moisture for the following crop.

CSREES states that early termination of the crop at or prior to the plants reaching 50 percent heading with herbicides or undercutting sweeps is required to conserve soil moisture and allow the growth of a double crop. According to CSREES, grazing of the wheat is not adequate measures to terminate the crop prior to heading. CSREES has also stated that grazing does not prevent the crop from reaching the heading stage.

ACTION:

In order for the cotton crop to be insurable, producers must have terminated the small grain crop with herbicides or undercutting sweeps prior to heading and less than 50 percent of the small grain plants reach the heading stage. Grazing the acreage does not constitute adequate measures to terminate the small grain crop. Acreage planted to cotton on which producers have continued to graze the small grain acreage after the heading stage should be determined to be not insurable.

It is the obligation of the reinsured company to determine whether the acreage was irrigated or adequate measures were taken to terminate the crop, as stated herein, prior to heading, and less than 50 percent of the small grain plants reach the heading stage, and prior to graze out.

DISPOSAL:

This bulletin is for the purpose of transmitting and updating information and the disposal date is December 31, 2001