

Risk Management Agency

Prevented Planting Due to Excess Moisture or Flood

A general overview
of prevented planting coverage

Prevented Planting Coverage

General Understandings

- Prevented planting coverage due to excess precipitation general to the surrounding area that occurs during the insurance period, and prevents other producers from planting acreage with similar characteristics, is provided for most crops
- Because conditions can vary significantly between geographic areas, loss determinations are based on each producer's circumstances; therefore, insured producers must **first** contact their crop insurance agent to report prevented planting losses

Prevented Planting Coverage

- The prevented planting guarantee for most crops is 60 percent (65 or 70 percent if available and elected by the Sales Closing Date) of the production guarantee for timely planted acreage
- For both CRC and RA **with** the Fall Harvest Price Option
 - Final prevented planting payments are based on the Fall Harvest Price
 - Preliminary prevented planting payments can be made and then recalculated after release of the Fall Harvest Price for payment of any additional amounts

Insurance Period – Carryover Policyholders

Carryover policyholders are eligible for prevented planting payments if the insured cause of loss occurred after the sales closing date for the previous crop year, provided insurance has been in force continuously since that date, and all other requirements for prevented planting have been met

For example:

Corn sales closing date on March 15 – cause of loss occurs on or after March 15, 2007, could be eligible for a prevented planting payment for the 2008 crop year

Insurance Period – New Policyholders

New policyholders are eligible for prevented planting payments if the insured cause of loss occurred after the sales closing date for the current crop year and all other requirements for prevented planting have been met

For example:

Corn sales closing date on March 15 – cause of loss occurs on or after March 15, 2008, could be eligible for a prevented planting payment for the 2008 crop year

Producer Choices When Prevented from Planting by Final Planting Date

1. Plant the insured crop during the late planting period
 - The late planting period is generally 25 days after the final planting date but may vary by crop and area as specified in the policy
 - For most crops the timely planted production guarantee is reduced one percent per day for each day planting is delayed after the final planting date

Producer Choices When Prevented from Planting by Final Planting Date

2. Leave the acreage fallow (black dirt) and receive a full prevented planting payment; or
3. Plant a cover crop but **do not** hay or graze prior to November 1 and receive a full prevented planting payment; or
4. Plant another crop (or hay or graze a cover crop before November 1) after the late planting period and receive a prevented planting payment equal to 35 percent of the prevented planting guarantee

Group Risk Plans – GRP and GRIP

- There is **NO** Replanting or Prevented Planting coverage under the Group Risk Protection or Group Risk Income Protection plans of insurance
- It is important to note that a crop must be planted before the acreage reporting date for GRP or GRIP insurance to attach
- Planted acreage insured under GRP/GRIP that is damaged and such acreage is planted to a second crop is subject to the same double insurance provisions with regard to a reduction (65 percent) in indemnity payment if the second crop is insured

Payment Reductions May Not Apply

- When a producer meets **double-cropping** requirements, the 65 percent payment reduction does not apply:

To a prevented planting payment when a second crop is planted or when a cover crop is hayed or grazed

To any first crop indemnity for planted acreage when there is a loss on a second crop

Payment Reductions May Not Apply

- Double-Cropping requirements include:
 - The second crop is customarily planted and harvested after the first crop in the same crop year and insurance is available for both crops
 - Providing records showing the number of acres double-cropped in two of the last four years the first crop was planted

Prevented Planting Coverage

- Producers should refer to the actual policy provisions and **contact** their insurance agent for more complete information