BULLETIN NO.: MGR-12-012

TO:       All Approved Insurance Providers
          All Risk Management Field Offices
          All Other Interested Parties

FROM:    William J. Murphy     /s/ William J. Murphy     8/22/2012
          Administrator

SUBJECT: Emergency Drought Relief – Allowing the Haying and Grazing of a Cover Crop for the 2013 Crop Year

BACKGROUND:

Due to the widespread severe drought conditions in many parts of the nation causing catastrophic damage to crops, farmers and ranchers are struggling to find adequate supplies of feed and forage for their livestock. The United States Department of Agriculture recently announced measures to assist producers in managing drought conditions such as emergency haying and grazing on Conservation Reserve Program acres in drought areas, allowing grazing and livestock watering on acres enrolled in the Environmental Quality Incentives Program, and authorizing haying and grazing on Wetlands Reserve Program acres.

The reduction of livestock feed caused by the drought conditions has caused policyholder’s to question whether they can plant a cover crop on damaged or destroyed acreage and hay or graze such acreage later this fall or early next spring without impacting the insurability of crops planted in the spring of 2013.

ACTION:

For the 2013 crop year, the Risk Management Agency (RMA) intends to file Special Provisions statements to allow haying or grazing of cover crops without impacting the insurability of planted 2013 spring crops. To assure any spring planted crops in 2013 are not negatively impacted by cover crops, policyholders may be required to stop haying or grazing at a certain point in the spring and will be required to terminate the cover crop. Some regions may require the cover crop be terminated prior to it reaching the headed or budded stage and other regions prior to a specific date occurring generally in late April or early May. These regional requirements will be contained within the Special Provisions statements filed by November 30, 2012, which is the contract change date for 2013 spring-seeded crops.
In the event a policyholder is prevented from planting insurable crops in the spring of 2013, haying, grazing, or otherwise harvesting a cover crop will affect any prevented planting payment in accordance with section 17(f)(5) of the Common Crop Insurance Policy Basic Provisions which states:

17. Prevented Planting
   (f) Regardless of the number of eligible acres determined in section 17(e), prevented planting coverage will not be provided for any acreage:
   (5) On which the insured crop is prevented from being planted, if:
       (i) Any crop is planted within or prior to the late planting period or on or prior to the final planting date if no late planting period is applicable, unless:
           (A) You meet the double cropping requirements in section 17(f)(4);
           (B) The crop planted was a cover crop; or
           (C) No benefit, including any benefit under any USDA program, was derived from the crop; or
       (ii) Any volunteer or cover crop is hayed, grazed or otherwise harvested within or prior to the late planting period or on or prior to the final planting date if no late planting period is applicable;

For policyholders to know when they must terminate any cover crop, or cease any haying or grazing next spring without impacting the insurability of any 2013 spring planted crops, they should contact their crop insurance agent to discuss the requirements contained within the Special Provisions that will be available no later than November 30, 2012.

Approved insurance providers should notify their agents immediately of this intended action so they can inform their policyholders and assist them in making timely and informed decisions for planting, haying, and/or grazing cover crops accordingly.

**DISPOSAL DATE:**

December 31, 2013.