

St. Paul Regional Office — St. Paul, MN

Revised March 2014

Prevented Planting

Iowa, Minnesota, and Wisconsin

Prevented Planting

Prevented planting is a failure to plant an insured crop with the proper equipment by the final planting date designated in the insurance policy's actuarial documents or during the late planting period, if applicable, due to an insured cause of loss that is general to the surrounding area and that prevents other producers from planting acreage with similar characteristics. Final planting dates and late planting periods vary by crop and by area. Producers should refer to the policy provisions or contact their crop insurance agent for more information.

Unless otherwise shown on the Special Provisions of Insurance, the Crop Provisions for each crop specify whether prevented planting is available. Because farming is complex, and land characteristics vary from field to field, eligibility for a prevented planting payment must be determined on a case-by-case basis. In general, an insured cause of loss must have occurred within the insurance period on eligible acreage.

Prevented planting coverage due to floods, hurricanes, or excess precipitation that occurs during the insurance period and prevents other producers from planting acreage with similar characteristics, is provided for most crops. Because conditions vary significantly between geographic areas, loss determinations are based on each producer's circumstances. Producers must first contact their crop insurance agent to report a prevented planting loss.

Prevented planting coverage is also provided if a producer is unable to plant because of residual salt in the soil or irrigation water supply as a result of an insured cause of loss (such as hurricane or flood), as long as the event occurred during the prevented planting insurance period. Producers must report and document the cause of loss. The producer's crop

insurance provider must determine whether the loss is insurable and may ask producers for additional documentation from agricultural experts to support the prevented planting claim.

The prevented planting guarantee for most crops is 60 percent of the production guarantee for timely planted acreage (65 or 70 percent if available and elected by the sales closing date unless a cause of loss that could or would prevent planting is evident when application for increased coverage is completed). For both yield and revenue protection, prevented planting payments are based on the projected price. There is no prevented planting coverage under Area Risk Protection Insurance (ARPI) or for policies insured at the Catastrophic coverage level.

To Be Eligible for Prevented Planting

In order for acreage to be "physically available for planting" in accordance of section 17(f)(8) of the Basic Provisions, the acreage must:

- 1) Be free of trees, rocky outcroppings, or other factors that prevent proper and timely preparation of the seedbed for planting and harvest of the crop in the crop year;
- 2) Not be enrolled in the Conservation Reserve Program (CRP);
- 3) Not be planted to a perennial crop (i.e., trees or vines either planted on the acreage, or not removed from the acreage in a proper or timely manner, thus preventing the timely planting of a crop for the crop year); and
- 4) Not have pasture, rangeland or forage in place (refer to section 17(f)(6) of the Basic Provisions).

Iowa and Minnesota have an additional requirement for eligibility in the Special Provisions.

- 5) In at least one of the four most recent crop years immediately preceding the current insured crop year, have been planted to a crop:

- a) Using recognized good farming practices;
- b) Insured under the authority of the Federal Crop Insurance Act (Act); and
- c) That was harvested, or, if not harvested, was adjusted for claim purposes under the authority of the Act due to an insured cause of loss (other than a cause of loss related to flood or excess moisture).

Once any acreage does not satisfy the criteria set forth within 5 (a)(b) and (c) in one of the four most recent crop years immediately preceding the insured crop year, such acreage will be considered physically unavailable for planting until the acreage has been planted to a crop in accordance with (a)(b) and (c) above for two consecutive crop years.

Intended Acreage Report

When, in the four most recent crop years, an insured did not plant any crop in the county for which prevented planting insurance was available or has not received a prevented planting insurance guarantee, the policyholder must complete and submit an intended acreage report to the Approved Insurance Provider for the purpose of establishing the potential maximum number of eligible prevented planting acres.

Notice of Prevented Planting

Policyholders are required to provide a notice that they were prevented from planting an insured crop within 72 hours after:

- The final planting date, if the insured does not intend to plant the insured crop during the late planting period or if a late planting period is not applicable; or
- The insured determines he/she will not be able to plant the insured crop within any applicable late planting period.

Carryover Policyholders

Producers who had an insurance policy the prior year (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 was in force **continuously** since that date, and all other prevented planting requirements are met.

New Policyholders

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

For example, the corn sales closing date for the current crop year is March 15. An insured cause of loss occurs on or after March 15. For the current crop year, a new policyholder or a carryover policyholder could be eligible for a prevented planting payment for the current crop year. However, if a cause of loss that prevents planting in the current year occurred between March 15 of the previous year and March 14 of the current year, only the carryover policyholder would be eligible for a prevented planting payment.

What choices do producers have if they are prevented from planting by the final planting date?

- Plant the insured crop during the late planting period, if applicable. The late planting period is generally 25 days after the final planting date but varies by crop and area, as specified in the policy. For most crops, the timely planted production guarantee is reduced 1 percent per day for each day planting is delayed after the final planting date.
- Plant the insured crop after the late planting period (or after the final planting date if a late planting period is not applicable), in which case the insurance guarantee will be the same as the insurance guarantee provided for prevented planting coverage.
- Leave the acreage idle (black dirt) and receive a full prevented planting payment. Conservation improvements are allowed.
- Plant a cover crop and receive a full prevented planting payment (but do not hay or graze this cover crop before November 1 or otherwise harvest it at any time).
- Plant a cover crop after the late planting period and hay or graze it before November 1 and receive 35 percent of the prevented planting payment for your first crop.
- Plant another crop (second crop) after the late planting period or after the final planting date if no late planting period is applicable, or hay or graze a cover crop after the end of the late planting period or after the final planting date if no late planting period is applicable but before November 1, or otherwise harvest it at any time, and receive a prevented planting payment equal to 35 percent of the prevented planting guarantee.

Contact a crop insurance agent to discuss these options.

Keep Good Documents

Good documentation is key to receiving prevented planting payments. Producers should work with

their crop insurance agent to determine what documentation is needed.

For More Information

The Prevented Planting Handbook is available on the RMA website at:

www.rma.usda.gov/handbooks/25000/2014/14_25370.pdf

Where to Buy Crop Insurance

All multi-peril crop insurance, including catastrophic insurance policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA website at:

www3.rma.usda.gov/apps/agents/.

Contact Us

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