



Welcome

The session will begin shortly.

Prevented Planting (PP) Request for Information Listening Session

USDA Risk Management Agency
Materials Created June 2023



Welcome

Background Information: Request for Information (RFI)

Background Information: Prevented Planting (PP)

Comments



FEDERAL REGISTER
The Daily Journal of the United States Government

Published May 23, 2023

- Comments on the Prevented Planting Provisions of the Common Crop Insurance Policy, Basic Provisions

- Requesting information on prevented planting topics including, but not limited to:
 - Prevented planting payment calculations
 - Harvest Price
 - Contract Crops
 - “1 in 4” rule
 - 10 percent additional coverage option
 - General comments



Written Comments

www.regulations.gov

Through close of business
September 1, 2023



Oral Comments

In-person Listening Sessions;
and/or Virtual Listening
Sessions



All comments will be posted without change and will be publicly available on www.regulations.gov.

Background: Request for Information



City	State	Date
<i>Virtual</i>		<i>June 8</i>
El Campo	TX	June 13
Tulelake	CA	June 27
Davis	CA	June 28
Pennsylvania Furnace	PA	July 11
Dubois	IN	July 11
Adrian	MI	July 12
Fort Collins	CO	August 2
Stuttgart	AR	August 3
Fargo	ND	August 8
Florence	SC	August 8
Sutherland	IA	August 9
Orangeburg	SC	August 9
Maricopa	AZ	August 22
Las Cruces	NM	August 24



**Prevented Planting
Coverage**

Covered Perils

Eligibility

Prevented planting (PP) is the...

Failure to plant the insured crop by the final planting date designated in the actuarial documents for the insured crop in the county, or within any applicable late planting period, 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.

Failure to plant because of uninsured causes such as lack of proper equipment or labor to plant acreage, or use of a particular production method, is not considered prevented planting.

**Prevented Planting Coverage = Insurance Guarantee of a Timely Planted Crop
× Prevented Planting Coverage Factor**

Example:

- A producer's insurance guarantee* = \$100 an acre
- Prevented Planting Coverage Factor for the crop = 60%
- $\$100 \times 60\% = \60 prevented planting payment per acre (60% of the guarantee)
- **Insurance guarantee = Approved yield × coverage level × projected price (or price election)*

Prevented Planting Coverage Factors:

- Are specified in the actuarial documents;
- Vary by crop;
- Are designed to provide protection based on pre-planting costs; not crop replacement; and
- Are established by comparing fixed and variable costs (from available national and state crop budgets) to average insurance guarantees.

RMA reviews prevented planting coverage factors on a 6-year cycle.

Additional Coverage Options

- Producers with additional coverage policies (not CAT coverage) may elect to purchase an additional 5% of prevented planting coverage, commonly referred to as “PP+5”.
- Prior to 2018, there was also a “PP+10” additional coverage option.

Covered Perils

Any insured cause of loss (peril) that is listed in the Crop Provisions for the insured crop, provided the cause occurred during the prevented planting insurance period and the peril prevented the insured from planting the insured crop.

Common Examples:

- Failure of Irrigation Water Supply
- Drought
- Excess Moisture
- Flood

Crops with Prevented Planting Coverage:

- *Barley*
- *Buckwheat*
- *Canola/Rapeseed*
- *Corn*
- *Cotton*
- *Cottonseed*
- *ELS Cotton*
- *Dry Beans*
- *Dry Peas*
- *Flax*
- *Grain Sorghum*
- *Green Peas*
- *Hybrid Seed Corn*
- *Hybrid Popcorn Seed*
- *Hybrid Sorghum Seed*
- *Hybrid Sweet Corn Seed*
- *Millet*
- *Mustard*
- *Oats*
- *Onions*
- *Peanuts*
- *Popcorn*
- *Potatoes, Central and Southern*
- *Potatoes, Northern*
- *Processing Beans*
- *Rice*
- *Rye*
- *Safflowers*
- *Silage*
- *Sorghum*
- *Soybeans*
- *Sugar Beets*
- *Sunflower Seed*
- *Sweet Corn, Processing*
- *Tobacco*
- *Triticale*
- *Wheat*

Eligibility

- The producer must have eligible acre history
- If no history, the producer must submit an intended acreage report
- Producer must provide proof they had inputs available to plant and produce the crop
- Acreage claimed must be at least 20 acres or 20% of the insured acres in the unit

Eligibility

- Acreage must meet the physically available for planting requirements:
 - Be free of trees, rocky outcroppings, or other factors
 - Not be enrolled in a USDA program that removes the acreage from crop production
 - Not be planted to a perennial crop (trees, vines, etc.)
 - Not have pasture, rangeland, or forage in place
 - Meet the “1 in 4” Rule:

The “1 in 4” Rule

- The acreage must have been planted to a crop, insured, and harvested (or if not harvested, adjusted for claim purposes due to an insured cause of loss (other than a cause of loss related to flood, excess moisture, drought, or other cause of loss specified in the Special Provisions)) in at least one out of the previous four years.
- The insured is responsible to prove qualifications
- If land fails this rule, it must be met for two consecutive years to be deemed physically available for planting (and regain eligibility for prevented planting coverage)



We want to hear from YOU!

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RMA staff will be taking notes during the session.

Listening Sessions are scheduled for 2 hours.

Please keep comments to 5 minutes.

Please be respectful.

This is not a question-and-answer session and is not intended to address individual situations.

- **We want to hear from you!**
- Speakers are encouraged to also submit their comments in writing.



*Submit written comments
by September 1, 2023.*



www.federalregister.gov

Contact Us!

Prevented Planting Team:

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Learn More:

RMA Home Page: www.rma.usda.gov

Prevented Planting Web Page:

www.rma.usda.gov/Topics/Prevented-Planting