

Irrigated Prevented Planting Frequently Asked Questions – Oklahoma, New Mexico and Texas

The Oklahoma City Regional Office has received a number of questions concerning irrigated prevented planting eligibility due to drought in the region.

Q: I have been informed that there would likely be reduced water availability for irrigation. What are my alternatives for insuring the crop for the 2013 crop year?

A: Under current crop insurance policies and procedures, to insure your crop as irrigated, you must apply at the appropriate times the quantity of water needed to produce at least the yield used to determine the production guarantee or amount of insurance. The yield used to determine the production guarantee is also known as your Actual Production History (APH) yield.

If you intend to apply less water than used to establish your irrigated practice APH yield on the irrigated acreage planted to the insured crop, regardless of the reason, you have the following options:

- apply the amount of water needed to produce the irrigated APH yield on a reduced number of acres and report the remaining acres as non-irrigated if coverage is available for a non-irrigated practice of the crop;
- apply less water to the total acreage than used to establish your irrigated APH yield and report the total acreage as non-irrigated, if coverage is available for a non-irrigated practice of the crop;
- apply the amount of water needed to produce the irrigated APH yield on a reduced number of acres and leave the remaining acres idle and claim a prevented planting guarantee, if eligible.

Q: What types of information must I have in order to qualify for a prevented planting guarantee?

A: In order to qualify for a prevented planting guarantee, an insurable cause of loss must have occurred within the prevented planting insurance period. For carryover policyholders (producers who had insurance for the 2012 crop year on the crop), the prevented planting insurance period begins on the sales closing date for the previous crop year.

For example, the corn sales closing date is March 15, 2013 for the 2013 crop year. An insurable cause of loss, such as lack of snowpack, occurs on or after March 15, 2012 and negatively affects irrigation water availability for the 2013 crop year. In this case, the insured could be eligible for a prevented planting payment.

You must keep and provide all documentation to your company regarding the amount of water you will receive for the crop year and any justifications provided for any reductions in their allocation. A documentation tool is available at:

http://www.rma.usda.gov/fields/ok_rso/irrigation/

Documentation of water shortfalls must be from official irrigation sources such as those responsible for water administration, allocations or delivery. Hearsay, rumors, preliminary discussions, or general references to weather are not adequate for documenting planting or prevented planting decisions.

Official sources responsible for collection of water data or regulation of water resources are also used to document whether all or a portion of the acres could be irrigated if average snowpack/precipitation had occurred within the prevented planting insurance period.

Q: I irrigate my crops using surface water. The source of irrigation water is mainly snowpack in the mountains and some stored water. We had below normal snowpack last year and I was paid prevented planting on a portion of my acres. Snowpack is again below normal and I have no stored water available leaving me with even less expected irrigation water for my 2013 spring crops. Am I eligible for prevented planting again?

A: If there is information available that indicates average snow-pack/precipitation occurring within the prevented planting insurance period would provide sufficient water to produce a crop on all insurable acreage, prevented planting coverage will be provided again for all acreage that is prevented from planting.

If such information indicates only a portion of the acres could be planted if average snowpack/precipitation occurs within the insurance period, prevented planting payments will be limited to that portion of acres.

Q: Are both sources of irrigation water, (surface and wells) eligible for prevented planting?

A: Yes. But, in most cases it is not possible to establish the amount of reduction in well water that is attributable to an insured cause of loss that occurred within the insurance period, and is thus difficult to prove prevented planting eligibility. If an insured has well water, it may be that the well water can make up the difference in the lack of surface water and all acres could be planted under an irrigated practice.

Q: I am a well water irrigator and I received an irrigated prevented planting payment in 2012 due to drought. My water source is an aquifer that is replenished by snow pack with a year lag between the melting of the snow pack and the availability of the water for irrigation. As the drought continued through

2012, I expect below normal irrigation water for 2013. Am I eligible for irrigated prevented planting coverage again in 2013?

A: RMA has procedures within its Prevented Planting Loss Adjustment Standards Handbook for situations in which an insurable cause of loss occurs in the prior year and continues to occur within the current crop year. These procedures provide that a prevented planting payment may be made; but, only on those acres that can be attributed to insurable causes of loss within the prevented planting insurance period. If it cannot be determined how many acres could be irrigated if normal snowpack/precipitation occurred during the insurance period, only those acres in excess of those prevented from being planted the previous crop year are eligible for prevented planting.

Q: I am a well water irrigator and I am required by my government to offset my irrigation water consumption with augmentation water from a surface water source. I have well water available but I expect to be restricted from pumping because my augmentation water from a surface water source is unavailable. Am I eligible for irrigated prevented planting coverage in 2013?

A: Possibly, if documentation exists that the reason for the lack of surface water for augmentation purposes was due to an insurable cause of loss within the insurance period. However, if this water is available only under certain conditions – such as if the water was sold and there is no reasonable expectation of having this water in the first place, prevented planting would not be available. See the following question for additional information.

Q: I am an irrigator who sold my water rights to a municipality many years ago with the agreement that if the municipality did not need the water, I could use that water for irrigation. For the first time, the municipality needs the water and my available water is reduced accordingly. Am I eligible for irrigated prevented planting coverage?

A: In order to report and insure acres as an irrigated practice, you must have a reasonable expectation at the time coverage begins, of receiving adequate water to carry out a good irrigation practice. If you had a reasonable expectation of access to that water and can prove that the municipality exercised its right to the water solely because of the drought, you could be eligible for a prevented planting guarantee. Documentation must be provided to support that: 1) the municipality exercised its right to the water because of drought; and 2) had normal precipitation/snowpack occurred during the prevented planting insurance period, you had a reasonable expectation of receiving enough water to carry out a good irrigation practice. However, for 2014 and beyond, because the water right was sold, and the municipality needed the water this year, proving that a reasonable expectation to the water exists for prevented planting will be difficult.

Q: I am an irrigator within a water subdistrict in which farmers agreed to tax themselves in order to create a pool for compensation as an incentive to take

land out of irrigated production. This subdistrict was created in an effort to conserve water now so that there will continue to be water for the future. Is land taken out of production in the subdistrict eligible for prevented planting?

A: No. The creation of a subdistrict for the purpose of conserving water is an administrative decision that is not a direct result of an insurable cause of loss that prevents the insured from planting and insuring an irrigated crop. Participation in the subdistrict is a management decision and not a weather-related event.

Q: What are the cropping restrictions on prevented planting acres?

A: Other than approved cover crops, no crops can be planted on the acreage if a prevented planting payment is issued without a payment reduction. A cover crop cannot be hayed or grazed prior to November 1. If the cover crop is harvested for grain, seed, etc., it is presumed not to have been grown for conservation or soil improvement purposes and the policy provisions for second crops or crops planted prior to the end of the late planting period, as applicable, will apply.

Q: Am I eligible for prevented planting coverage if I have my normal allocation of irrigation water available but my soil moisture is depleted?

A: If you normally irrigate a certain number of inches to grow a crop, you may need to make up the depleted soil moisture conditions with additional irrigation water. Although you may have the same overall allocation as you had in the past, you may not be able to show that you can produce the yield upon which your guarantee is based using that same amount of water due to the soil moisture depletion.

The Policy states that you must have adequate water and facilities at planting time to produce at least the yield upon which your irrigated production guarantee is based (the APH yield). In making this determination you must consider the soil moisture, available irrigation water and assume average precipitation during the growing season.

Comparing the total of these 3 sources to past water use or published research data regarding water use requirements for the crop being planted should allow you to determine if you have adequate water. If you can establish that because of soil moisture depletion that occurred due to an insured cause of loss within the insurance period, your normal irrigation water allocation and normal precipitation through the growing season would not be adequate to raise your APH yield for an irrigated practice, you may be eligible for prevented planting coverage for those acres.

Q: I normally apply a few inches of irrigation water to my winter wheat and also plant irrigated sunflowers following harvest of my wheat crop. Due to depleted soil moisture conditions and continued lack of precipitation, I had to apply more than normal water on my wheat. This left me with less than adequate supply for my sunflowers.

a.) Are my sunflowers insurable as irrigated?

A: The Policy states that you must have adequate water and facilities at planting time to produce at least the yield upon which your irrigated coverage is based (the APH yield). If, after reviewing the three elements cited in the question above, and comparing to average precipitation throughout the growing season, it is determined there is not enough irrigation water to produce the sunflower irrigated approved yield, the irrigated sunflower acres must be reduced to the amount of acres that can be adequately irrigated. The remaining acres could not be reported and insured as non-irrigated because insurance is not available on non-irrigated sunflowers following a wheat crop that has been harvested.

b.) Can I claim a prevented planting guarantee on the sunflower acres I cannot report as irrigated?

A: If you had an insurance policy for sunflowers during the 2012 crop year, a prevented planting guarantee may be available on the double cropped sunflower acres. You must provide double-cropping history that meets the policy requirement for establishing double-cropping history.

See Common Crop Insurance Policy Basic Provisions Section 17(f)(ii).