

## **2015 Excess Precipitation for Kansas, Missouri, and Nebraska**

### **Will the Risk Management Agency extend final planting dates because of the unfavorable planting conditions?**

Most crop insurance policies cover policyholders who are unable to plant until after the final planting date, but at a reduced coverage level to reflect the additional risk of planting later. Studies show a greater chance of crop yield loss for planting later. Premium rates reflect the timeliness of planting, and the reduced coverage for late planting reflects the increased risk for yield loss. Final planting dates are a term and condition of the insurance policy, and are part of the contractual agreement between policyholders and the approved insurance providers that deliver and service federally reinsured crop insurance policies. The policy specifies that all changes to the policy must be made by the contract change date.

USDA cannot extend planting deadlines because extending the deadline would be a change in the terms and conditions of the insurance policy after the contract change date. If USDA were to extend the planting deadlines, it would create a breach of contract. The Federal Crop Insurance Corporation is prohibited from waiving or modifying the terms of the policy except as provided in the policy. Any change to the contract at this time shifts risk to the approved insurance providers from previously negotiated financial commitments within the terms and conditions of the Standard Reinsurance Agreement.

**If I am prevented from planting by the final planting date, what are my choices under the terms of my policy provided I meet all other policy provisions and I do not qualify for double cropping?**

You may:

- Plant the insured crop during the late planting period, if applicable, and insurance coverage will be provided.
  - The late planting period in Kansas, Missouri, and Nebraska for corn is 20 days after the final planting date. The late planting period in Kansas, Nebraska and Missouri for soybeans and grain sorghum is 25 days after the final planting date. The 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 and insurance coverage will be provided. 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
  - A prevented planting payment may be available for those acres which remain unplanted for the entire late planting period due to an insured cause of loss during the insurance period. The size of the prevented planting payment depends on whether a second crop is planted after the late planting period ends.
    - To qualify for a prevented planting payment, the unplanted acreage must be at least 20 acres or 20% of the crop acreage in the insured unit, whichever is less.
    - A prevented planting payment is calculated as 60% of the production guarantee for eligible timely planted acres.
    - There is an option to purchase an additional 5-10% more coverage if done so by the sales closing date.
    - No harvest price adjustment is used for replant or prevented planting payments.
- Plant another crop (second crop) after the late planting period and receive a prevented planting payment equal to 35 percent of the prevented planting guarantee.
- Plant a cover crop and receive a full prevented planting payment provided the cover crop is not hayed or grazed before November 1, or otherwise harvested at any time. If the cover crop is planted after the late planting period and hayed or grazed before November 1, the prevented planting payment on the first crop is reduced to 35 percent of the first crop prevented planting guarantee.

NOTE: A lower yield, calculated as 60% of the approved yield will apply to acres whenever the prevented planting payment is reduced to 35%

## **If my first insured crop was planted and failed, what are my choices under the terms of my policy provided I meet all other policy provisions and I do not qualify for double cropping?**

If it is:

- **not practical** to replant the first insured crop:
  - The acreage may be left idle (black dirt), or planted to a second crop and not insured, and receive a full indemnity for the first insured crop;
  - Plant and insure a second crop and receive a 65-percent reduction in indemnity for the first insured crop – you pay 35 percent of the premium for the first insured crop;
    - If there is not a loss on the second crop, you will receive the remaining 65 percent of indemnity on the first insured crop and pay the full premium on the first insured crop; or
    - If the second crop receives an indemnity, the first crop indemnity remains at 35 percent and the second crop indemnity is fully paid (no reduction). You may choose to not accept the second crop indemnity and receive a full indemnity on the first insured crop.
- **practical** to replant the first insured crop and it **is not** replanted, no coverage for the first insured crop will be provided.
- **practical** to replant the first insured crop and the first insured crop **is** replanted, a replanting payment will be made and coverage for the first insured crop will remain at the production guarantee.

## **How do I report my affected acres?**

You must:

- For a planted crop, when there is damage or loss of production, you must notify your crop insurance company, through your agent, within 72 hours of your

initial discovery of damage or loss of production (but not later than 15 days after the end of the insurance period, even if you have not harvested the crop).

- In the event you are prevented from planting an insured crop that has prevented planting coverage, you must notify your crop insurance company, through your agent within 72 hours after:
  - The final planting date, if you do not intend to plant the insured crop during the late planting period
  - You determine you will not be able to plant the insured crop within any applicable late planting period.
- You must report separately the dates and number of all acres planted on or before the final planting date; acreage planted per day (including the date) during the late planting period; and the dates and number of acres planted after the late planting period.
- Report your prevented planting acres on your Acreage Report
  - A notice of loss for prevented planting does not fulfill this requirement

**Due to excessive precipitation, I was unable to plant 100 acres of corn by the May 25th final planting date. I intend to plant these acres to soybeans. Can I elect to not insure these soybeans and collect a full prevented planting payment on my corn?**

When prevented plant acreage is the first insured crop and is followed by a second crop, you must report and insure second crop acreage that meets all of the insurability requirements for the crop if there is an active policy in the county for the crop. You are responsible for paying the full premium for the second crop acreage that must be insured.

However, when a second crop is planted after the second crop's late planting period due to an insured cause that prevented planting during the late planting period, you are not required to insure the crop because in accordance with section 16(b) of the Basic Provisions, you have the option of insuring or not insuring the second crop acreage. For example: The first insured crop was prevented plant corn, and you plant second crop soybeans after the soybean late planting period due to an insured cause preventing planting during the late planting period. You can opt to not insure

the second crop soybean acreage and in this case, must report such acreage as uninsured.

## **Contact Information**

For more information, contact the [\*\*Topeka Regional Office\*\*](#).