



# Farm Credit Services of Mandan

## Crop Insurance News – Spring 2022

### Final Planting Dates

Each crop you plant has a Final Planting Date for insurance purposes. The Final Planting Date is the last day on which you may plant and still receive your full guarantee for a loss. The dates are county and crop specific.

### Late Plant Period

If you plant after the Final Planting Date, you fall into the Late Plant Period. This period allows you to plant the insured crop after the Final Planting Date with a reduction in the guarantee. Late Plant Periods are generally 25 days but are crop specific. Contact your Insurance Representative for more information.

### Prevented Planting

Prevented Planting (PP) is defined as the failure to plant the insured crop by the Final Planting Date or within the applicable Late Plant Period, **due to an insured cause of loss that is general to the area** and that prevents other producers from planting acreage with similar characteristics. Other criteria for PP:

- Must report PP acres within 72 hours of your decision to no longer plant
- 20/20 rule: in order to qualify, must have the lesser of 20 acres or 20% of the insured crop acreage in the unit prevented from planting
- Acreage must be “physically available for planting”
- Acreage with a “preexisting condition” is not eligible
- New Breaking acres and acres emerging from CRP are not eligible
- 2 or more sections must have **PLANTED** acres (meeting the 20/20 rule) to receive the Enterprise Unit Discount

#### NEW FOR 2022

- Indemnity Reductions on haying and grazing have been removed
- Planting dates for cover crops have been revised

Contact your Insurance Representative if you have any questions about PP.

### Good Farming Practices

The production methods utilized to produce the insured crop and allow it to make normal progress towards maturity and produce at least the yield used to determine the production guarantee or amount of insurance. This includes:

- Conventional or sustainable farming practices - those generally recognized by agricultural experts for the area
- Organic farming practices - those generally recognized by organic agricultural experts for the area or contained in the organic plan that is in accordance with the National Organic Program
- Good Irrigation Practices - Application of adequate water in an acceptable manner and at the proper times to allow production of a normal crop. This is often identified as providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee.

The insurance company may determine whether production methods are considered to be good farming practices.

### Replant

To be eligible for a replant payment, you must notify your Insurance Representative **PRIOR** to replanting.

Basic qualifications:

- 20/20 rule: in order to qualify, must have damage to the lesser of 20 acres or 20% of the planted acres in the unit
- Appraised potential must be less than 90% of the guarantee for this acreage

### Replant continued

- Planted to the same crop in the same insured acreage
- Acreage must be initially planted on or after the Earliest Plant Date for the crop in that county
- Replant must take place no later than 25 days after the Final Planting Date
- Acreage Report must be completed before claims can be paid

### Practical to Replant

It will be considered practical to replant through:

- the Final Planting Date
- the end of the Late Plant Period if the Late Plant Period is less than 20 days
- the 10<sup>th</sup> day after the Final Planting Date, if the crop has a Late Plant Period of 10 days or more

Other circumstances the insurance company may consider:

- Is it physically possible to replant acreage?
- Is seed germination, emergence, and formation of a healthy plant likely?
- Will field, soil and growing conditions allow for proper planting and growth of replanted crop to reach maturity?
- Do other conditions exist?

It is considered practical to replant regardless of the availability of seed or plants, or the input costs necessary to produce the insured crop.

### 1<sup>st</sup> crop/2<sup>nd</sup> crop

If replanting is no longer feasible, as determined by the AIP, the insured has 3 available options:

- Option #1: Continue to care for the first crop and take it to harvest. The indemnity due will be based on actual production and 100% of the premium will be due.
- Option #2: Accept the appraisal on the 1<sup>st</sup> crop and plant/insure a second crop. A 35% payment will be received on the 1<sup>st</sup> crop and 35% of the premium will be due.
  - If the 2<sup>nd</sup> crop has a loss, the AIP will pay the greater of 100% of the 2<sup>nd</sup> crop indemnity, or the remaining 65% of the 1<sup>st</sup> crop indemnity. Premiums will be adjusted accordingly.
- Option #3: Accept the appraisal on the 1<sup>st</sup> crop and choose NOT to insure the 2<sup>nd</sup> crop. Indemnity will be based on the appraisal of the 1<sup>st</sup> crop.

Additional indemnity rules apply. If you are in a 1<sup>st</sup> crop/2<sup>nd</sup> crop situation, contact your Insurance Representative for more information.

### Acreage Reporting Deadline

- July 15, 2022 is the acreage reporting deadline for spring crops
- The insured is responsible for the accuracy of the information provided for acreage reporting.
- All acreage must be reported by farm/tract/field and must match the acreage certified at your county FSA office. Please provide your Insurance Representative with a copy of your FSA maps and 578's.
- Revisions to the Acreage Report after the reporting deadline can only be made with the consent of the insurance company.

### Crops requiring Contracts by July 15<sup>th</sup>

- Mustard
- Buckwheat
- Barley (if the contract price option has been elected)
- Soybeans (if the contract price option has been elected)

### Enterprise Unit (EU) Qualifications

- All insured acreage of the same insured crop in the county in which the insured has a share
- To qualify for the EU discount, you must have
  - 2 or more sections with **PLANTED** acreage
  - Lesser of 20 acres or 20% of the total acres of the unit located in a second section or combination of sections

### Rotation Requirements

- Buckwheat, dry beans, dry peas, mustard, canola, potatoes, safflower, and sunflowers all have rotation requirements.
- Proof of variety is required when planting canola in a two-year rotation with a blackleg resistant variety (MR-R).
- Refer to your Winter 2022 Crop Insurance News, 2022 Crop Insurance Guide, or contact your Insurance Representative for more information on these requirements.

### Added Land

- If less than 2,000 total cropland acres are added, then the higher of the applicable Variable T-Yield, Simple Average T-Yield, or Personal T-Yield (if elected) will be used to establish the approved APH yield
- The County T-Yield or a percent of the T-Yield will be applied if 2,000 or more total cropland acres are added in a single year. These acres do not qualify for a Personal T-Yield.

### New Breaking

Applies to acres that have not been planted and harvested or insured in at least one of the three previous crop years (including alfalfa and CRP). New breaking greater than 5% of the planted acres in the unit requires a Written Agreement for insurability by March 15<sup>th</sup> (with some exceptions).

### Native Sod

Producers' benefits will be reduced until Native Sod acreage has four crop years of an insured crop completed, but is limited to within the first 10 crop years after initial tillage. Written Agreements may be needed for insurability on Native Sod the initial year.

Once a producer converts 5 acres or more, in a county, cumulatively across crop types and crop years (beginning in 2017) the following penalties will apply:

- 50-point reduction of premium subsidy
- Guarantee is reduced to 65% of the County T-Yield for 4 years
- Elimination of Yield Substitutions in the insurance guarantee

### Appraisals and Bin Measurements

Appraisals are needed on **ANY** insured crop when you are putting that crop to any use other than how you have it insured. Example:

- Corn insured as silage, but combined for grain
- Corn insured as grain, but chopped for silage
- Crop insured as grain, but cutting for hay
- Request measurement on any production that will be fed to livestock

If you are adding any new production to prior years' production, the prior production must be measured by an adjuster. Failure to do so may result in a reduced indemnity at loss time.

### Destruction of Insured Acres

Do not destroy, hay, or graze any insured acres prior to receiving permission from an adjuster. An appraisal(s) will be used for production reporting in the fall. A "zero" will be used for production if an appraisal is not made prior to destroying the crop(s). This applies to all insured acres (including forage production), even if there is no loss.

### Claims

- Notice must be given within 72 hours of initial discovery of the damage (but no later than 15 days after the end of the insurance period)
- Claims must be reported within 60 days of the harvest date of the crop
- Do not harvest/destroy damaged fields without prior approval from an adjuster

### Record Keeping

- Record retention is 3 years
- At harvest, producers must keep production records separate by unit (section).
  - Hard Copy Records – Are used to prove the final disposition of the total crop. These include settlement sheets, signed appraisals, signed FSA measurements (LDP records), precision farming records, or feed records
  - Soft Copy Records – Are used to separate production by unit. Incomplete soft records may result in commingled production and the loss of optional units. These include combine monitor records, scale tickets, or load records.

### Livestock Risk Protection

Livestock Risk Protection (LRP) is designed to insure against declining market prices. Producers may select from a variety of coverage levels and periods of insurance that correspond with the time their market weight livestock would be sold.

- LRP is available for feeder cattle, fed cattle, and swine and purchased throughout the year
- Premium Subsidy 35%-55%
- Must retain ownership 60 days prior to end date
- Feeder cattle and swine types are allowed to be insured before birth

Premium rates, coverage prices and actual ending values are posted daily at:

[www3.rma.usda.gov/apps/livestock\\_reports](http://www3.rma.usda.gov/apps/livestock_reports)

### Crop Hail Insurance

Count on our team of Insurance Representatives to customize a policy to cover the gaps in your multi-peril or enterprise unit coverage. FCS works with several reputable companies that offer low rates, 2-hour coverage and great claim service. Ask about basic, deductible, and companion policies along with wind endorsement options.

## Farm Credit Services of Mandan Crop Insurance Representatives

<b>Beulah</b>	(701) 873-5395 <i>Alison DuBois</i>
<b>Bowman</b>	(701) 523-5275 <i>Sheridan Visser</i>
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<b>Mott</b>	(701) 824-3203 <i>Julie Miller and Shauna Kautzman</i>
<b>Washburn</b>	(701) 462-3514 <i>Kristi Laframboise</i>
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