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Documentation Issues For Prevented Planting

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May 31 is the final planting date for cotton and peanuts. Given that only 58% of the cotton crop and 52% of the peanut crop are estimated to have been planted through May 27, many insured acres intended to be planted to these crops may be eligible for prevented planting. If you know growers that plan to file for prevented planting, their crop insurance provider needs to be notified within 72 hours of the final planting date. The following is an overview of important terms and documentation issues related to prevented planting.

Final Planting Date. The Final Planting Date (FPD) is May 31. This is the last date a producer may plant and the acres be eligible for full crop insurance coverage (receive the 100% Production Guarantee or CRC Guarantee). The farmer is NOT required to plant after May 31 but may do so at reduced coverage of 1% per day.

Late Planting Period (LP). If the producer so elects, planting may continue until June 15 at reduced coverage of 1% per day. Planting may continue even after June 15 and coverage will be at 50% of the Production Guarantee or CRC Guarantee.

Prevented Planting. If unable to plant by May 31, the farmer may file for “prevented planting” (PP) and must do so within 72 hours after May 31. If choosing to plant during the Late Planting Period and still unable to plant, the farmer must file for “prevented planting” within 72 hours of the late planting deadline (June 15). At present date, there is not a clear answer as to the impact of filing for prevented planting at the end of the late planting period. The likely safe strategy is to initiate the process to file for prevented planting and modify later if a grower changes his/her mind during the late planting period.

Eligibility. The *Prevented Planting Loss Adjustment Standards Handbook* states that prevented planting (PP) coverage will be provided for drought for non-irrigated acreage if on the Final Planting Day (or within the Late Planting Period if electing to plant within the Late Period) “*the area that is prevented from being planted has insufficient soil moisture for germination of seed OR progress toward crop maturity due to a prolonged period of dry weather.*”

The *Standards* goes on to say that “*Prolonged precipitation deficiencies must be verifiable using information collected by sources whose business it is to record and study the weather, including but not limited to, local weather reporting stations of the National Weather Service.*”

Verification and Documentation. The *Standards* give four types of verifiable documentation that should be provided to the insurance provider in the case of a non-irrigated crop that is considered to be prevented from planting due to drought.

1. *Documentation that other producers with acreage with similar characteristics are also prevented from planting their crop.*
2. *Data showing prolonged precipitation deficiencies for the area.*
3. *Documentation (written opinions) from agricultural experts for the insured PP crop that states the amount of soil moisture needed to germinate seed or for progress toward maturity is not available. Agricultural experts must be disinterested third parties to the insured.*
4. *Information shows insufficient moisture conditions existed on the final planting date or within the late planting period, regardless of whether rain subsequently falls or is expected to fall. To eliminate any questions about soil moisture content of the acreage in question, the insured may submit a written soil moisture profile/report...from a disinterested third party that is knowledgeable in determining soil moisture.*

The documentation is necessary for a grower to qualify for prevented planting as defined by the Basic Provisions. Three conditions must be met to qualify the area that is prevented from being planted due to drought: 1) insufficient soil moisture for germination of seed and progress toward crop maturity; 2) prolonged period of dry weather that is general to the area; 3) in an area where other producers with acreage with similar characteristics are also prevented from planting their crop. Each of these conditions must be proven separately.

Documentation - What It All Means. Extension may be called upon to assist in providing the documentation to verify that producers were prevented from planting. The Final Planting Date (FPD) is May 31. So, documentation as of May 31 is needed. Unless the producer wishes to continue to try to plant during the Late Period, what happens after May 31 does not factor in.

The producer must report a PP claim within 72 hours after May 31. The crop loss adjuster will ask for documentation and documentation must be provided before the claim will be worked and the acreage possibly released. If the producer has the needed documentation at the time the claim is filed or shortly thereafter, this will save time and the process go much smoother.

1. Other Producers Also Prevented. Some producers have chosen to plant *hoping* for rain while others have held off *waiting* for rain first. Documentation that seed planted has yet to emerge might be helpful. Documentation that the producers are on different soils or use different production practices (strip-till vs. conventional, for example) might also be useful. While some producers may have chosen to plant, documentation that a significant number of others have not (documentation that this is not an isolated case) might also be helpful. Percent crop acres planted as reported in the weekly Crop Progress and Conditions report by NASS could be helpful.
2. Precipitation Data. “Prolonged” precipitation data must be from a source whose business it is to record and study the weather. It must be specific to the producer’s area. Universities are recognized as sources who collect and study weather data. Farmer records, written opinion or data collected by Extension, and soil moisture index may not alone be considered sufficient. Precipitation data is available on-line at the

Georgia Automated Environmental Monitoring Network (AEMN) at www.georgiaweather.net. The weekly report from the Georgia office of USDA-National Agricultural Statistics Service publishes weekly weather and soil moisture data from the AEMN. Once this type of data is collected, the same data and numbers could be available and used for all producers. (see attached sheet)

3. Germination and Progress. In addition to precipitation data itself, further/separate documentation must also be provided that the lack of such precipitation has caused farmers not be able to plant. Specifically, expert opinion is needed stating that soil moisture on May 31 is not sufficient to germinate the seed. This documentation could be a letter on Extension letterhead from the county agent or other expert or could be in the form of a newsletter or other information provided through Extension.
4. In addition to “prolonged” weather data (#2), documentation is needed to support the claim in #3. Documentation is needed showing that insufficient moisture was available on May 31- the Final Planting Date. Again, this could take the form of a letter or report from a disinterested third party expert such as Extension based on an examination of the farm’s actual conditions.

Implications For Yield Histories. If the farmer files for and is approved for prevented planting and does not plant a second crop, this will have no impact on his APH (Actual Production History) for crop insurance purposes. It will be as if he/she never planted. If the farmer plants a second crop, yield for the prevented planted crop (cotton and peanuts in this case) will be 60% of the APH.

If the farmer plants and the crop later fails (does not come up at all or is approved for abandonment), the crop insurance adjusters appraised yield is used for future APH calculation. If the yield is zero or less than 60% of the “T-yield”, the farmer may elect to substitute 60% of the T-yield for the adjusters appraised yield. If choosing to take the substitution, this will reduce the impact on the APH but the farmer will pay a slightly higher premium on his crop insurance in the future.

Other References:

www.ugacotton.com/rev-pp-cotton-shurley.pdf

www.ugacotton.com/TillageQMay24a2007.pdf

www.ugacotton.com/HowLateTooLateMay302007.pdf

<http://www.ugapeanuts.com/>

When is it Too Late to Plant Peanuts? May 30, 2007

<http://www.ugapeanuts.com/>

Peanut Pointers – Special Drought Edition, May 23, 2007

REASONABLE APPROACHES FOR PEANUT PRODUCTION:

Dealing With Severe Drought Conditions during Planting and Early Sea

Web Sources for Georgia Weather and Drought Information

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The Georgia Automated Environmental Monitoring Network (AEMN) website, www.georgiaweather.net, provides access to weather stations across Georgia including historical precipitation data.

A “Drought” link is located on the left side of the AEMN homepage that links to drought information and drought indices and maps.
<http://168.29.150.39/aemn/drought.htm>

Georgia Drought Table and Maps found on the AEMN website.

Table

<http://www.griffin.uga.edu/aemn/cgi-bin/DROUGHT.pl?map=c&b=r&e=t>

Map

<http://www.griffin.uga.edu/aemn/cgi-bin/DROUGHT.pl?map=c&b=r&e=m>

Other Drought Maps:

Palmer Drought Severity Index

http://www.cpc.ncep.noaa.gov/products/analysis_monitoring/regional_monitoring/palmer.gif

Crop Moisture Index

http://www.cpc.ncep.noaa.gov/products/analysis_monitoring/regional_monitoring/cmi.gif

Weekly Conditions and Progress Data:

Not all counties may be subscribed to the Georgia Crop Progress and Conditions report published weekly by the National Agricultural Statistics Service in cooperation with the Georgia Department of Agriculture. The report gives a weekly topsoil moisture table. The May 27 edition includes topsoil moisture by crop reporting district. Also the soil moisture map from AEMN website is included in this weeks report.

http://www.nass.usda.gov/Statistics_by_State/Georgia/Publications/Crop_Progress_and_Condition/index.asp