

RMA response to the question: Will 2012 be counted when determining if a field has been planted and harvested in one of last four years when determining eligibility for prevented planting?

Producers don't have to worry about acreage that is normally available to plant, acreage that they have been planting and harvesting year in and year out. The questionable acreage is that which was last planted in 2008 and again in 2012, both of which were crop years preceded by dry spells the last 4-6 months before the planting season began.

The prevented planting policy and special provisions state that acreage flooded or not available to plant due to weather events occurring outside of the insurance period (which is about two years) such as moisture in previous crop years, is not eligible for prevented planting coverage because of preexisting conditions prior to the prevented planting insurance period. In addition, acreage that is normally inaccessible through the spring final and late planting period and is only accessible in the summer and fall has been an issue for Approved Insurance Providers (AIP) due to the difficulty in establishing if such acreage is normally available to plant and eligible for prevented planting coverage. RMA was attempting to address waste and abuse of the program. That is reason behind the 2012 Prevented Planting Special Provision.

Item 5. of Prevented Planting Special Provisions requires an insured crop be planted and harvested on the acreage in at least one of the four most recent crop years in order to consider the acreage physically available for planting. However, all other prevented planting policy provisions must be met. Therefore acreage that continues to be flooded due to prior weather events beyond the two-year prevented planting period provided in the statute for carryover policyholders is not eligible for continued prevented planting payments, because under normal weather conditions it remains flooded or too wet to plant throughout the final and late planting period. Such acreage would not be available for planting a spring crop even though such acreage may have been tilled, planted, and/or insured the previous fall.

North Dakota and South Dakota experienced unusually dry conditions in the fall of 2011, followed by one of the warmest winters on record. Below normal precipitation continued up to and until the spring planting season of the 2012 crop year in most of North Dakota and South Dakota according to the drought monitor. The resulting conditions allowed acreage normally too wet to plant (i.e., potholes and low-lying areas) to be tilled and planted. As a result, many policyholders in these areas believed this acreage was now eligible for prevented planting for an additional four years because planting in 2012 will "reset the clock" in accordance with item 5. of the Prevented Planting Special Provisions. It appears that many crop insurance agents and policyholders only focused on item 5. of the Prevented Planting Special Provisions and choose to ignore item 6. which states:

"6. Acreage that has any other condition, as determined by us, that would prevent the proper and timely planting of the crop when weather and other conditions are normal for the area in which the acreage is located. For example, acreage that is normally too wet to plant in the spring may be dry enough to till or plant and even insure a crop in the fall. Such acreage would not be available for planting a spring crop even though such acreage may have been tilled, planted and/or insured the previous fall."

Planting and insuring a crop in a particular crop year, as indicated in item 5. of the Special Provisions, does not in and of itself qualify the acreage as meeting the 1 in 4 rule contained in the Special Provisions for prevented planting eligibility. Item 5. of the Special Provisions does not stand-alone and must be

read in conjunction with the other items of the Special Provisions. Therefore, acreage that is not normally available for planting and can only be planted during the occurrence of the abnormally dry weather in the fall and spring such as the 2012 is not eligible for prevented planting coverage. RMA has clarified this fact in Final Agency Determination 110, which was issued on February 25, 2010. It stated: “acreage that in normal weather patterns is normally wet throughout the final and late planting period and that would only be available to plant in abnormally dry conditions, is not acreage that is “available for planting”. Such acreage is not considered “available for planting” because under normal weather conditions it remains too wet to plant.” Section 17(f)(8) of the Crop Insurance Basic Provisions does not define acres “physically available for planting,” therefore, this clarification was necessary in Final Agency Determination 110 in order to inform all crop insurance stakeholders that such acreage was not eligible for prevented planting coverage because it was not normally physically available for planting during the spring planting period unless preceded by abnormally dry weather conditions.

For claims purposes Approved Insurance Providers (AIPs) have corporate access to PRISM, whose data sets are recognized world-wide as the highest-quality spatial climate data sets currently available. The PRISM (Parameter-elevation Regressions on Independent Slopes Model) climate mapping system was developed by Dr. Christopher Daly who is the PRISM Climate Group director. The link to their website is <http://www.prism.oregonstate.edu/>. USDA pays Prism to provide RMA and the AIPs with an application for analyzing a climatic time series down to a single grid-point data set (at a section level), which allows them to verify a producer’s evidence of a cause of loss or whether acreage was abnormally dry prior to the normal planting period.

There are legitimate claims where producers in many areas of the state did have normal conditions (and not abnormally dry conditions) and therefore their acreage does qualify for prevented planting coverage. However, the AIP will be able to verify that fact using PRISM. Based on the Drought Monitor and PRISM there are definitely areas of the state that experienced abnormally dry conditions that allowed producers to plant and harvest acreage that was only available for planting because of abnormally dry conditions from November of 2011 through March of 2012, when the planting season started in April.