

Prevented Planting talking points for 2011

- 1) Eligible acres will be based on high planted acres for that crop in one of the last 4 years
 - a. Plus a % of added land in 2011 as long as you don't lose acres from past years
- 2) Report of PP claim must be done within 72 hours of decision not to plant in late plant period
- 3) Eligible irrigated acres can be increased when irrigation was added in 2011 or new pivots put in
- 4) PP payment amount is limited to the amount that would have been paid for the crop that was PP
 - a. Unless first crop is not eligible for a payment, then will pay the lower amount of lower value crop
- 5) PP payment based on spring price only no adjustment for fall
- 6) Payment calculation = 60% * MPCI Coverage/Acre - Corn and Soybeans
- 7) 20/20 rule applies to be eligible for PP payments – Calculated by unit (BU, OU, or EU)
- 8) PP acres must be reported on acreage report
- 9) PP does not apply to GRP or GRIP policies
- 10) PP does not apply on ground where pasture or forage crop is in place during the time planting of the insured crop generally occurs in the area
- 11) A second crop for harvesting, haying, or grazing may be planted on PP ground but the second crop must be planted after the later of the Final Planting Date or the end of the Late Planting Period (for the initial crop) to get PP payment on first crop
 - 1) Ex #1 – If soybeans are planted on PP corn ground on June 10th, there would be no PP payment for corn. Soybeans would have full coverage
 - 2) Ex #2 – If soybeans are planted on PP corn ground on June 26th, the PP corn payment would be 35% of the PP guarantee at 35% of the original premium on the corn. The coverage for the soybeans would be reduced by 1% per day after June 10th.
- 12) PP coverage will not be provided for any acreage on which any established pasture or other forage crop is in place on the acreage during the time planting of the insured crop generally occurs in the area. However, in certain unique situations, they may not be considered to be in place, and the insured may be eligible for a PP guarantee when:
 - (1) The insured can demonstrate his/her intent to destroy an existing forage stand (that meets the criteria in (2) below) and plant a spring crop on the acreage **but due to insurable causes** was unable to destroy the forage stand and plant the spring crop (e.g., **if chemical kill, plow-down, or chisel plow of the forage crop the fall before planting the ground to a spring crop is a recommended practice in the area, then that step must have been taken, unless the insured can provide documentation that an insured cause prevented that particular step**).
- 13) If a cover crop or volunteer crop is hayed or grazed after the end of the LPP (FPD if no LPP is applicable) for an insured crop that is prevented from being planted and prior to November 1 of the crop year, the PP payment will be reduced by 65 percent.
- 14) **APH FOR PP ACREAGE**
 - (1) PP acreage upon which the PP payment was not limited to 35% (i.e., a second crop was not planted (second crop as defined in the Basic Provisions) within the same crop year) will NOT be included in APH records when there are planted and PP acres within the same unit; e.g., 100 acres PP and 200 acres planted within the same unit - only the 200 planted acres will be reported on the APH record for the unit. If none of the acreage for the unit was planted, it will be considered a zero-planted year for APH record purposes. However, if the PP payment is limited to 35% (i.e., a second crop is planted on the PP acreage (second crop as defined in the Basic Provisions) within the same crop year and the insured acreage does not qualify for double cropping), the insured will receive a yield equal to 60 percent of the approved yield for the first insured crop PP acreage to calculate the insured's average yield for subsequent crop years on this acreage.
 - (2) The first insured crop PP acreage's APH yield will be impacted for the crop that was prevented from being planted, even when the PP payment may have been based on another crop. For example: The insured met all policy requirements for a PP payment for corn but did not have any remaining PP acres for corn but did for soybeans. So, the PP payment is based on soybeans. If a second crop is planted, the corn APH yield will be impacted.

Examples of Eligible PP Acres

	Corn	Soybeans	
Year	Acres	Acres	Total Acres
2007	275	350	625
2008	300	325	625
2009	350	275	625
2010	325	300	625

Both Corn and Soybeans have 350 maximum eligible PP acres. Payments cannot exceed total cropland acres.

Example of Added Land

In 2011 add 300 acres of crop land. 300 acres plus 625 acres = 925 acres

925 crop acres this year divided by 625 crop acres last year = 1.48 multiplier

Corn 350 acres X 1.48 = 518 acres eligible for PP in 2011

Soybeans 350 acres X 1.48 = 518 acres eligible for PP in 2011