USDA Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

Utah Farm Service Agency Newsletter - June 20, 2023

In This Issue:

USDA Offers Livestock Disaster Program Flexibilities; Responds to Needs Expressed by Producers Hard-Hit by Drought and Winter Storms

USDA's Farm Service Agency (FSA) has provided additional flexibilities and further enhanced disaster recovery assistance provided by the Emergency Assistance for Livestock Honeybees, and Farm-raised Fish Program (ELAP), Livestock Indemnity Program (LIP) and Livestock Forage Disaster Program (LFP) in response to needs expressed by livestock producers in the Western U.S. who have experienced significant feed, forage, animal and infrastructure loss from preexisting, long-term drought conditions further compounded by unprecedented snowfall and winter storms. These livestock disaster program policy enhancements include an extended June 2, 2023, deadline to submit notices of loss and applications for payment for 2022 losses. The deadline extension and program flexibilities are available to eligible producers nationwide who incurred losses from a qualifying natural disaster event.

LIP and ELAP reimburses producers for a portion of the value of livestock, poultry and other animals that died because of a qualifying natural disaster event or for loss of grazing acres, feed, and forage. LFP provides benefits for grazing losses due to a qualifying drought or wildfire. For fire, losses must occur on federally managed lands. ELAP provides benefits for grazing losses not covered under LFP.

New Program Applications for 2022
FSA is accepting 2022 LIP notices of loss and applications for payment through June 2, 2023, for all covered livestock that may have been eligible in 2022.

Producers who did not sign up for ELAP assistance for hauling livestock, forage and feedstuff hauling or other losses covered under ELAP in 2022 can also apply through June 2, 2023.

FSA will accept LFP applications for only newly eligible covered livestock through June 2, 2023.

All required supporting documentation must be received and on file in the county office by the established deadline.

Revising 2022 Applications
Producers who have a 2022 ELAP, LIP or LFP application on file with FSA as of the program deadline or were placed on an approved register, may revise their application with the newly updated eligible livestock no later than June 2, 2023.

Filing a Notice of Loss for ELAP due to 2022 and 2023 Drought
To support program access for counties that do not currently have a 365-day grazing season, FSA is waiving the 30-day timeframe for producers to submit a notice of loss for the 2023 ELAP program year due to qualifying drought in calendar years 2022 or 2023. Producers can now submit a notice of loss from the date the loss is apparent, as far back as Jan. 1, 2023, for 2022 eligible losses and 2023 eligible losses that occur before June 2, 2023.

For counties that have a 365-day grazing season, producers must have a qualifying drought in the 2023 calendar year to be eligible for 2023 livestock, water and feed hauling in 2023.

More Information
Livestock producers must provide evidence that livestock death was due to an eligible adverse weather event or loss condition. In addition, livestock producers should bring supporting evidence, including documentation of the number and kind of livestock that died, photographs or video records to document the loss, purchase records, veterinarian records, production records and other similar documents. Owners who sold injured livestock for a reduced price because the livestock were injured due to an adverse weather event, must provide verifiable evidence of the reduced sale of the livestock.

Producers can apply for ELAP, LFP and LIP benefits at their local FSA county office. For more information or to submit a notice of loss or an application for payment, please contact your local FSA office or visit farmers.gov/recover.

USDA Extends Application Deadline for Revenue Loss Programs to July 14

USDA is extending the deadline for the Emergency Relief Program (ERP) Phase Two and Pandemic Assistance Revenue Program (PARP) to July 14, 2023, to give producers more time to apply for assistance. The original deadline was June 2. Additionally, USDA's Farm Service Agency (FSA) is partnering with nine organizations to provide educational and technical assistance to agricultural producers and provide assistance in completing an ERP Phase Two application. The extended deadline will give producers more time to work with these partner organizations and apply for assistance.   **Cooperative Agreements for ERP Phase Two Application Assistance**   Through cooperative agreements with FSA, the following organizations are providing free assistance to producers across the United States and territories.

- Alabama State Association of Cooperatives
- Farmers Legal Action Group, INC.
- Flower Hill Institute
- Intertribal Agriculture Council, Inc
- North South Institute
- Renewing the Countryside II
- Rural Advancement Foundation International - USA
- Rural Coalition
- Texas Small Farmers and Ranchers CBO

Depending on a producer's location, these nine partners can provide assistance either by phone or through online meeting software like Zoom or Microsoft Teams.

There is never a charge for technical assistance provided by FSA employees or cooperative agreement recipients. These organizations will assist producers with completing the application and any follow-up future insurance coverage requirements. Producers who receive ERP payments are statutorily required to purchase crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage for the next two available crop years. These organizations will not collect producer records, complete or sign the application form, or act on the producer's behalf in any way throughout this process.

Find more information on FSA cooperative agreements and contact information for the nine organizations please visit fsa.usda.gov/programs-and-services/cooperative-agreements/index.

PARP Application Assistance
USDA will host a webinar that focus on completing the PARP application form on June 8, 2023 from 2:00 to 4:00 p.m. eastern with members of the National Farm Income Tax Extension Committee. Register here.

Eligibility
To be eligible for ERP Phase Two, producers must have suffered a decrease in allowable gross revenue in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event. Assistance will be primarily to producers of crops that were not covered by Federal Crop Insurance or NAP, since crops covered by Federal Crop Insurance and NAP were included in the assistance under ERP Phase One.

To be eligible for PARP, an agricultural producer must have been in the business of farming during at least part of the 2020 calendar year and had a 15% or greater decrease in allowable gross revenue for the 2020 calendar year, as compared to a baseline year.

FSA offers an online ERP tool and PARP tool that can help producers determine what is considered allowable gross revenue for each respective program.

Producers should contact their local FSA office to make an appointment to apply for ERP Phase Two and PARP assistance. Producers should also keep in mind that July 15 is a major deadline to complete acreage reports for most crops. FSA encourages producers to complete the ERP Phase Two application, PARP application and acreage reporting during the same office visit.

More Information
For more information, view the ERP Phase Two Fact Sheet, PARP Fact Sheet, the ERP Phase Two-PARP Comparison Fact Sheet, ERP Phase Two application video tutorial, PARP application video tutorial, myth-buster blog or contact your local USDA Service Center.

USDA Announces Corrections to Emergency Relief Program Policy to More Accurately Reflect 2020 and 2021 Natural Disaster Impacts on Crops Intended for On-Farm Use

The U.S. Department of Agriculture (USDA) is updating the Emergency Relief Program (ERP) Phase Two to provide a method for valuing losses and accessing program benefits to eligible producers of certain crops, including grapes grown and used by the same producer for wine production or forage that is grown, stored and fed to livestock, that do not generate revenue directly from the sale of the crop. These updates ensure that ERP benefits are more reflective of these producers' actual crop losses resulting from 2020 and 2021 natural disaster events. USDA's Farm Service Agency (FSA) will begin accepting ERP Phase Two applications from eligible wine grape and forage producers once this technical correction to ERP is published in the Federal Register and becomes effective, which it anticipates will be on Friday, June 16, 2023. The deadline to submit applications for ERP Phase Two is July 14.

Background
In January 2023, FSA announced ERP Phase Two, designed to wrap-up and fill remaining gaps in previous natural disaster assistance for 2020 and 2021.

To be eligible for ERP Phase Two, producers must have suffered a decrease in allowable gross revenue in 2020 or 2021 due to necessary expenses related to losses of eligible crops from a qualifying natural disaster event. Assistance is primarily for producers of crops that were not covered by Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program since crops covered by Federal Crop Insurance and NAP were included in the assistance under ERP Phase One administered in 2022.

Determining Crop Value
Producers of certain crops now have a method for including crop value in their allowable gross revenue for the purpose of determining ERP Phase 2 benefits.

The value of the eligible crop intended for on-farm use will be based on the producer's actual production of the crop and a price for the crop as determined by FSA's Deputy Administrator for Farm Programs based on the best available data for each crop such as published crop price data or the average price obtained by other producers in the area. Acceptable, published sources including but are not limited to Federal Crop Insurance Corporation established prices, FSA established National Crop Table prices and National Agricultural Statistic Service prices.

Revenue and pricing guidelines for expected revenue for wine grapes and on-farm forage is available online for producer reference and convenience when applying for ERP Phase Two.

Wine grape and forage producers who have already submitted their ERP Phase Two applications to FSA have the option of revising the application and updating their allowable gross revenue to include crop value if applicable.

Producers of crops grown for on-farm use other than wine grapes and forage may request consideration to use a crop's value in their allowable gross revenue. Submit requests to RA.FSA.DCWA2.ppb@wdc.usda.gov. FSA's Deputy Administrator for Farm Programs will review submitted requests.

Additional Technical Corrections – Conservation Programs
In addition to emergency relief policy updates, FSA has also established policy corrections for the Emergency Conservation Program (ECP) and the Emergency Forest Restoration Program (EFRP). The policy correction clarifies that federal payments received for the same practice will be considered duplicative assistance for producers who receive ECP and EFRP program payments. The revised program provisions are related to program updates FSA announced in January that give more farmers, ranchers, and tribes the opportunity to apply for and access programs that support recovery following natural disasters (see January 10, 2023 news release for more information).

ECP and EFRP provide financial and technical assistance to restore conservation practices like fencing, damaged farmland or forests following natural disasters.

More Information FSA offers an online ERP tool to help producers determine what is considered allowable gross revenue..

Producers should contact their local FSA office to make an appointment to apply for ERP Phase Two. Producers should also keep in mind that July 15 is a major deadline to complete acreage reports for most crops. FSA encourages producers to complete the ERP Phase Two application and acreage report during the same office visit. Applications for the Pandemic Assistance Revenue Program, a revenue-based program for losses resulting from the pandemic, can also be completed.

For more information, view the ERP Phase Two Fact Sheet, PARP Fact Sheet, the ERP Phase Two-PARP Comparison Fact Sheet, ERP Phase Two application video tutorial, PARP application video tutorial, myth-buster blog or contact your local USDA Service Center.

Farm Service Agency Now Accepting Nominations for Farmers and Ranchers to Serve on Local County Committees

The U.S. Department of Agriculture (USDA) is now accepting nominations for county committee members for elections that will occur later this year. Additionally, USDA's Farm Service Agency (FSA) is unveiling a new GIS tool to make it easier for producers to participate in the nomination and election processes for county committee members, who make important decisions on how federal farm programs are administered locally.

All nomination forms for the 2023 election must be postmarked or received in the local FSA office by Aug. 1, 2023.

Elections will occur in certain Local Administrative Areas (LAA) for members. LAAs are elective areas for FSA committees in a single county or multi-county jurisdiction and they may include LAAs that are focused on an urban or suburban area.

Customers can locate their LAA through a new GIS locator tool available at fsa.usda.gov/elections.

Agricultural producers may be nominated for candidacy for the county committee if they:

- Participate or cooperate in a USDA program; and
- Reside in the LAA that is up for election this year.

A cooperating producer is someone who has provided information about their farming or ranching operation to FSA, even if they have not applied or received program benefits. Individuals may nominate themselves or others and qualifying organizations may also nominate candidates. USDA encourages minority producers, women and beginning farmers or ranchers to nominate, vote and hold office.

Nationwide, more than 7,700 dedicated members of the agricultural community serve on FSA county committees. The committees are made up of three to 11 members who serve three-year terms. Committee members are vital to how FSA carries out disaster programs, as well as conservation, commodity and price support programs, county office employment and other agricultural issues.

More Information

Producers should contact their local FSA office today to register and find out how to get involved in their county's election, including if their LAA is up for election this year. To be considered, a producer must be registered and sign an FSA-669A nomination form. Urban farmers should use an Nomination forms and other information about FSA county committee elections are available at fsa.usda.gov/elections.

Election ballots will be mailed to eligible voters beginning Nov. 6, 2023.

USDA Offers Assistance to Help Organic Dairy Producers Cover Increased Costs

USDA announced assistance for dairy producers with the new Organic Dairy Marketing Assistance Program (ODMAP). ODMAP is established to help mitigate market volatility, higher input and transportation costs, and unstable feed supply and prices that have created unique hardships in the organic dairy industry. Specifically, under the ODMAP, USDA's Farm Service Agency (FSA) is making $104 million available to organic dairy operations to assist with projected marketing costs in 2023, calculated using their marketing costs in 2022. FSA began accepting applications for ODMAP on May 24, 2023. Eligible producers include certified organic dairy operations that produce milk from cows, goats and sheep.

How ODMAP Works
FSA is providing financial assistance for a producer's projected marketing costs in 2023 based on their 2022 costs. ODMAP provides a one-time cost-share payment based on marketing costs on pounds of organic milk marketed in the 2022 calendar year. ODMAP provides financial assistance that will immediately support certified organic dairy operations during 2023 keeping organic dairy operations sustainable until markets return to more normal conditions.

How to Apply
FSA is accepting applications from May 24 to July 26, 2023. To apply, producers should contact FSA at their local USDA Service Center. To complete the ODMAP application, producers must certify to pounds of 2022 milk production, show documentation of their organic certification, and submit a completed application form.

Organic dairy operations are required to provide their USDA certification of organic status confirming operation as an organic dairy in 2023 and 2022 along with the certification of 2022 milk production in hundredweight.

ODMAP complements other assistance available to dairy producers, including Dairy Margin Coverage (DMC) and Supplemental DMC, with more than $300 million in benefits paid for the 2023 program year to date. Learn more on the FSA Dairy Programs webpage.

USDA is Providing $130 Million in Assistance to Help Farmers Facing Financial Risk

USDA announced that nearly $130 million in additional, automatic financial assistance has been obligated for qualifying farm loan program borrowers who are facing financial risk. The announcement is part of the $3.1 billion to help distressed farm loan borrowers that was provided through Section 22006 of the Inflation Reduction Act (IRA).

Since the IRA was signed by President Biden in August 2022, including the payments announced today, USDA is providing approximately $1.1 billion in immediate assistance to more than 20,000 distressed borrowers.

Borrowers who received these automatic payments include Farm Service Agency (FSA) direct loan borrowers whose interest exceeded principle owed on outstanding debts; borrowers who had a balance up to 60 days past due as of Sept. 30, 2022 and remained delinquent; and borrowers with a recent restructure between Feb. 28, 2020, through March 27, 2023, or who had accepted an offer to restructure on or before March 27, 2023, but had not yet closed that restructure.

Individual Applications for Farmers Seeking Assistance
In May, FSA will begin accepting and reviewing individual distressed borrower assistance

requests from direct loan borrowers who missed a recent installment or are unable to make their next scheduled installment. All FSA borrowers should have received a letter detailing the process for seeking this type of assistance even before they become delinquent. As the letter details, borrowers who are within two months of their next installment may seek a cashflow analysis from FSA using a recent balance sheet and operating plan to determine their eligibility. Also in May, FSA borrowers will receive a letter detailing a new opportunity to receive assistance if they took certain extraordinary measures to avoid delinquency on their loans, such as taking on or refinancing more debt, selling property, or cashing out retirement or college savings accounts. FSA also plans to begin working through these types of cases in May.

As USDA learns more about the types of situations financially distressed farmers are facing, the Department will continue to update borrowers and the public about new eligibility criteria. USDA will also provide regular updates about its progress in deploying this funding to farmers who need it.

Before You Break Out New Ground, Ensure Your Farm Meets Conservation Compliance

The term “sodbusting” is used to identify the conversion of land from native vegetation to commodity crop production after December 23, 1985. As part of the conservation provisions of the Food Security Act of 1985, if you’re proposing to produce agricultural commodities (crops that require annual tillage including one pass planting operations and sugar cane) on land that has been determined highly erodible and that has no crop history prior to December 23, 1985, that land must be farmed in accordance with a conservation plan or system that ensures no substantial increase in soil erosion.

Eligibility for many USDA programs requires compliance with a conservation plan or system on highly erodible land (HEL) used for the production of agricultural commodities. This includes Farm Service Agency (FSA) loan, disaster assistance, safety net, price support, and conservation programs; Natural Resources Conservation Service (NRCS) conservation programs; and Risk Management Agency (RMA) Federal crop insurance.

Before you clear or prepare areas not presently under production for crops that require annual tillage, you are required to file Form AD-1026 “Highly Erodible Land Conservation and Wetland Conservation Certification,” with FSA indicating the area to be brought into production. The notification will be referred to NRCS to determine if the field is considered highly erodible land. If the field is considered HEL, you are required to implement a conservation plan or system that limits the erosion to the tolerable soil loss (T) for the predominant HEL soil on those fields.

In addition, prior to removing trees or conducting any other land manipulations that may affect wetlands, remember to update form AD-1026, to ensure you remain in compliance with the wetland conservation provisions.

Prior to purchasing or renting new cropland acres, it is recommended that you check with your local USDA Service Center to ensure your activities will be in compliance with the highly erodible land and wetland conservation provisions.

For additional information on highly erodible land conservation and wetland conservation compliance, contact your local USDA Service Center.

USDA Announces Modifications to the Annual Forage and Rainfall Index Program

USDA is modifying the Annual Forage Insurance Program to make it more sustainable and to allow producers more flexibility. This includes allowing producers to choose the areas which they insure, rather than being required to insure all eligible acres. The changes will take effect for the 2024 crop year.

The Annual Forage insurance program is a rainfall index area-based plan that provides coverage to acreage planted each year and used as feed and fodder by livestock. The rainfall index does not directly measure an individual producer's annual forage production or loss. Rather, it measures the normal precipitation deviation that occurs in and around the insured area, which is correlated with forage production. The Annual Forage insurance program include all counties in Colorado, Kansas, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota and Texas.

The modifications to the Annual Forage pilot program include:

- Allowing producers to insure the acres they choose – no longer requiring all eligible acres to be insured.
- Modifying the program design from four growing seasons to 12 growing seasons.
- Moving the Acreage Reporting Date to the fifth day of the month after the month of planting, which creates 12 acreage reporting dates.
- Adding planting dates to designate the planting month and corresponding acreage reporting date.
- Allowing producers in Kansas and Nebraska to have coverage in growing season 10 through 12 and a corresponding growing season at the start of the next crop year, which is consistent with other states where the insurance is offered.
- Updating the Rainfall Index Basic Provisions to incorporate existing guidance on the record requirements in double cropping situations when one of the crops follow a different plan of insurance.

The Annual Forage Insurance Program began in 2014. Producers have enrolled for coverage on more than 6.2 million acres.

Filing CCC-941 Adjusted Gross Income Certifications

If you have experienced delays in receiving Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) payments, Loan Deficiency Payments (LDPs) and Market Gains on Marketing Assistance Loans (MALs), it may be because you have not filed form CCC-941, *Adjusted Gross Income Certification*.

If you don't have a valid CCC-941 on file for the applicable crop year you will not receive payments. All farm operator/tenants/owners who have not filed a CCC-941 and have pending payments should IMMEDIATELY file the form with their recording county FSA office. Farm operators and tenants are encouraged to ensure that their landowners have filed the form.

FSA can accept the CCC-941 for 2018, 2019, 2020, 2021, and 2022. Unlike the past, you must have the CCC-941 certifying your AGI compliance before any payments can be issued.

USDA Announces Additional Assistance for Distressed Farmers Facing Financial Risk

The U.S. Department of Agriculture announced it will provide approximately $123 million in additional, automatic financial assistance for qualifying farm loan program borrowers who are facing financial risk, as part of the $3.1 billion to help distressed farm loan borrowers that was provided through Section 22006 of the Inflation Reduction Act (IRA). The announcement builds on financial assistance offered to borrowers through the same program in October 2022.

The IRA directed USDA to expedite assistance to distressed borrowers of direct or guaranteed loans administered by USDA's Farm Service Agency (FSA) whose operations face financial risk. For example, in the October payments, farmers that were 60 days delinquent due to challenges like natural disasters, the pandemic or other unexpected situations were brought current and had their next installment paid to give them breathing room.

In October 2022, USDA provided approximately $800 million in initial IRA assistance to more than 11,000 **delinquent direct and guaranteed borrowers** and approximately 2,100 borrowers who had their farms liquidated and still had remaining debt. USDA shared that it would conduct case-by-case reviews of about 1,600 complex cases for potential initial relief payments, including cases of **borrowers in foreclosure or bankruptcy**. These case-by-case reviews are underway.

At the same time in October 2022, USDA announced that it anticipated payments using separate pandemic relief funding totaling roughly $66 million on over 7,000 direct loans to borrowers who used the USDA Farm Service Agency's **disaster-set-aside** option during the COVID-19 pandemic. The majority of these payments have been processed and USDA anticipates it will complete all such payments in April 2023.

New Assistance for Distressed Borrowers
FSA intends to provide the new round of relief starting in April to additional distressed borrowers. This will include approximately $123 million in automatic financial assistance for qualifying Farm Loan Program (FLP) direct loan borrowers who meet certain criteria. Similar to the automatic payments announced in October 2022, qualifying borrowers will receive an individual letter detailing the assistance as payments are made. Distressed borrowers' eligibility for these new categories of automatic payments will be determined based on their circumstances as of today. More information about the new categories that make up the $123 million in assistance announced today and the specific amount of assistance a distressed borrower receives can be found described in this fact sheet, IRA Section 22006: Additional Automatic Payments, Improved Procedures, and Policy Recommendations.

To continue to make sure producers are aware of relief potentially available to them, all producers with open FLP loans will receive a letter detailing a new opportunity to receive assistance if they took certain extraordinary measures to avoid delinquency on their FLP loans, such as taking on more debt, selling property or cashing out retirement accounts. The letter will provide details on eligibility, the specific types of actions that may qualify for assistance, and the process for applying for and providing the documentation to seek that assistance.

These steps are part of a process USDA announced along with the October payments that is focused on assisting borrowers unable to make their next scheduled installment. Earlier this year, all borrowers should have received a letter detailing the process for seeking this type of assistance even before they become delinquent. Borrowers who are within two months of their next installment may seek a cashflow analysis from FSA using a recent balance sheet and operating plan to determine their eligibility.

Tax Resources
USDA will continue to work with the Department of Treasury to help borrowers understand the potential tax implications from the receipt of an IRA payment, including that options may be available to potentially avoid or alleviate any tax burden incurred as a result of receiving this financial assistance.

In early April, USDA set a specific set of revised tax documents, educational materials and resources to borrowers that received assistance in 2022, including a link to a webinar hosted by a group of farm tax experts to provide education on the options available. USDA cannot provide tax advice and encourages borrowers to consult their own tax professional, but FSA is providing educational materials for borrowers to be aware of the options. USDA has tax-related resources available at farmers.gov/taxes.

Improved Procedures and Policy Recommendations
FSA is finalizing changes to its policy handbooks to remove unnecessary hurdles, improve loan making and loan servicing and provide more flexibility on how loans are structured to maximize the opportunities for borrowers. Additional details on those changes can be found in the linked fact sheet and are the start of a broader set of process enhancements. The fact sheet also provides information on the eight, no-cost legislative proposals included in the Fiscal Year 2024 President's Budget that are designed to improve the borrower experience.

Making Farm Reconstitutions

When changes in farm ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested by **August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all of the required signatures are on FSA-155 and all other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

- **Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate
- **Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method, the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding

- **DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract
- **Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

For questions on your farm reconstitution, contact your local County USDA Service Center.

USDA Invites Input on Crop Insurance Coverage for Prevented Planting

USDA published a Request for Information, announcing public listening sessions and soliciting public comments on possible changes to prevented planting crop insurance coverage. Coinciding with the public comment period, USDA's Risk Management Agency (RMA) will hold in-person and virtual listening sessions June through August. This includes in-person listening sessions in Arkansas, Arizona, California, Colorado, Indiana, Iowa, Michigan, New Mexico, North Dakota, Pennsylvania, South Carolina and Texas. Meanwhile, RMA will accept written comments through its request for information until September 1.

The request for information on prevented planting requests input on prevented planting topics to include:

- Harvest Price Option – Feedback on whether to allow the prevented planting payment calculations to be based on the higher of projected price or harvest price under the revenue protection plan of insurance.
- "1 in 4" Rule – Input on the challenges or experiences since the rule (to be eligible for a prevented planting coverage acreage must have been planted to a crop, insured, and harvested in at least 1 out of the previous 4 crop years) was implemented nationwide.
- 10 percent additional coverage option – Input on if RMA should reinstate the option to buy-up prevented planting coverage by 10 percent.
- Contract price – Whether prevented planting costs are higher for contracted crops and how prevented planting payments should be calculated for contract crops.
- General – Willingness to pay additional premium for expanded prevented planting benefits, recommendations on other prevented planting limitations, etc.

RMA will hold a virtual listening session via Microsoft Teams on June 8 and at least a dozen in-person sessions over the next few months. Additional details on the listening sessions are available on the RMA website.

The request for information, which includes details for submitting feedback, is available in this Federal Register notice.

Prevented planting insurance provisions provide valuable coverage when extreme weather conditions prevent expected plantings. Prevented planting is when a producer is unable to plant an insured crop due to an insurable cause of loss in time to grow a viable crop. Final planting dates and late planting periods are detailed in a producer's crop insurance policy, and they vary by crop and location. Prevented planting coverage is intended to assist with normal costs associated with preparing the land up to the point of seed going into the ground (pre-plant costs).

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