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Crop Insurance/Cropping Decisions When No Crop Has Been Planted and a Farm-Level Crop Insurance has been Purchased

The following applies to situations in which farmers have farm-level products such as Actual Production History (APH), Crop Revenue Coverage (CRC), Income Protection (IP), Revenue Assurance (RA) policies. Catastrophic (CAT) policies also have prevented planting provisions, but no opportunity to increase the payment level on prevented planting payments above the 60 percent level. Group Risk Plan (GRP) and Group Risk Income Plan (GRIP) policies do not have replant or prevented planting provisions.

Some fields in Illinois have not been planted and the final planting date has been reached for corn (June 5 in most Illinois counties). After the final planting date, a farmer has the following options:

1. **Plant a crop.** In this case, the crop will be covered by crop insurance under the policy chosen by the March 15th deadline. The guarantee, however, will be less than the full guarantee if the crop is planted after a final planting date. The guarantee will decline by 1 percent each day after the final planting date for the first 25 days. After 25 days, the guarantee is 60 percent of the original guarantee.

As an example, take a farmer with a CRC corn policy. This policy has a 150 bu. APH yield, the base price in 2009 is \$4.04 per bushel, and the farmer has a 75 percent coverage level. This policy has a minimum guarantee of \$454 per acre (150 bu. APH yield x \$4.04 base price x .75 coverage level). The farmer farms in a county with a June 5th final planting date. If the farmer plants on June 6th, the minimum guarantee will be \$449 (\$454 x .99). Planting on June 7th results in a guarantee of \$445 (\$454 x .98)

2. **Take a prevented planting payment.** The farmer can choose to take a prevented planting payment. This payment equals 60 percent of the guarantee (unless the farmer elected to have prevented planting payments at a 65 or 70 percent level). For a \$454 guarantee, the prevented planting payment will be \$272 per acre (\$454 x .60), given that the farmer has not elected to increase the prevented payment level.

For a farmer to receive prevented planting payment, prevented planting must be prevalent on similar farmland within the area.

If the farmer wishes to receive 100 percent of the prevented planting payment, a second crop for harvest or grazing may not be planted on the farmland. A cover crop could be planted but it can not be grazed before November 1st.

- 3. Take 35 percent of the prevented planting payment and plant an insured second crop after the late planting period for the first crop.** In most Illinois cases, the second crop will be soybeans which will be planted in July (after the late planting period for corn). The farmer will receive 35 percent of the prevented planting payment. If eligible, the soybean crop will have to be insured. The above applies to situations in which double-crop soybeans are not prevalent.

If double-cropping soybeans are prevalent in an area, soybeans could be treated as double-crop soybeans and a full prevented planting payment could be received. Farmers have to have a history of planting double-crop soybeans. Farmers need to work with crop insurance agents to determine eligibility for double-crop soybeans.

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