

United States Department of Agriculture July 24, 2020

Via Electronic Delivery

Farm Production and Conservation

Risk Management Agency

Dear Tom,

Tom Hance

1400 Independence Avenue, SW Stop 0801 Washington, DC 20250-0801

After unprecedented prevented planting in 2019, and in some areas again in 2020, discussion around how prevented planting policy can be improved is incredibly important. Over the past few months the Risk Management Agency has engaged stakeholders in discussion through a prevented planting taskforce. Representatives from the industry included the American Farm Bureau, the National Farmers Union, National Crop Insurance Services, the Crop Insurance Professionals Association, and the Independent Insurance Agents and Brokers of America. As Administrator, I charged the taskforce to review the current policy, discuss impacts to producers, and explore how policy could be improved. The goal of the taskforce was to improve prevented planting for producers when they really needed it, but not to incentivize it.

US Barley Growers Association / Canola Growers Association

The taskforce brought up several important issues over the last few months. In the end there were seven issues that were brought forward for a decision with six being approved. Several of the issues identified are not normally common but are more likely to happen in years when prevented planting is widespread for the producer. Following is a brief summary of decisions made:

- 1) Allows acres of an uninsured second crop that is planted on the same acres within the same crop year following a failed first crop to not be subtracted from the eligible PP acreage.
- 2) When a producer does not have a history of producing two crops in the same field, provide an exception to allow prevented planting on a different crop than the producer attempts to plant if the producer can prove intention.
- 3) For producers in a new county, where they have never produced the crop, allow the use of an intended acreage report for the first two years instead of only the first year.
- 4) Expand the commonly known "1 in 4" requirement nationwide. Currently only producers in the Prairie Pothole National Priority Area are required to plant in at least one of the four most recent crop years.

In addition, the decision was made to approve the following when funding is available:

1) Allow producers to purchase an additional 10% prevented planting coverage if they purchase additional coverage greater than catastrophic risk protection.

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2) Allow a harvest price option for prevented planting when the Revenue Protection plan of insurance has been elected.

If you have any questions or would like to discuss the upcoming changes in more detail, we would be happy to set up a meeting.

Sincerely,

Martin R. Barbre Administrator