

News Column

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Prevented Planting Decisions Update

Last week there was an article posted on K-State Research & Extension - Ag Economics web site which discussed Prevented Planting rules and options for producers facing wet planting conditions for their insured corn crop. A number of new developments, particularly the May 23 announcement of additional Market Facilitation Program payments, are discussed in detail on this web site at www.agmanager.info in the Recent Updates on the Home page.

This article is a summary of the Prevented Planting Options for Kansas Corn Growers. To see the full details, refer to the May 22nd article on the agmanager web site written by Monte Vandever, Extension Ag Economists.

Producers who insured their intended 2019 corn acres are now past the "Final Planting Date" (FPD) deadline, which marks the latest date for which they can plant their corn crop and still obtain the full level of crop insurance coverage. The FPD of May 25 for central and northeast Kansas, and May 31 for western Kansas has passed. There is a map on the agmanager web site that shows which zone your county falls into.

Producers who expect they will not be able to complete their corn planting by the FPD in their county need to alert their crop insurance agent. Farmers in this situation have several options available, but they need to coordinate with their agent as they move forward. Prevented Planted payments are subject to an adjuster and not a guarantee.

Once the FPD passes, producers enter what is called the "Late Planting Period" (LPP), during which corn may still be planted, but the level of insurance coverage will decline day by day. In particular, the production guarantees (= APH yield x % guarantee level) will decline 1 percent for each day after the FPD that a particular acre gets planted.

An example of a non-irrigated corn producer who has an APH yield of 120 bushels per acre and has chosen the 75% coverage level. His production guarantees for acres planted up through the FPD is 90 bushels per acre (= 120 bu/a APH x 75% coverage). For acres planted, say, 10 days into the LPP, the production guarantee is reduced by 10 percent (= 90 bu/a x 90% = 81 bu/a). Producers who do plant corn during the LPP must keep a running tally of which acres are planted day by day, since each day's planted acreage will have a different production guarantee.

For corn in Kansas, the LPP extends another 20 days after the FPD. This means the final day of the LPP is June 14 for central and northeast Kansas, and June 20 for western Kansas. If insurable causes of loss continue to delay planting past the LPP, corn may still be planted and insured after the LPP ends. Acres planted at this point would receive a production guarantee of 55 percent of the original APH yield. Our example producer above would thus have a production guarantee of $90 \text{ bu/a} \times 55\% = 49.5 \text{ bu/a}$.

To see the full details on the Prevented Planting Options for Kansas Corn Growers go to www.agmanager.info