

JULY CROP WATCH



Crop Watch is published by American Farm Bureau Insurance Services, Inc. and is intended for informational purposes only. Nothing contained herein can or should be interpreted to take precedence over policy language, Federal Crop Insurance Corporation/ Risk Management Agency regulation, and Underwriting or Loss Adjustment rules.

INSIDE THIS ISSUE

Combo Policy	1
Acreage Reporting Reminders	2
Claims Deadlines and Info	2
Prevented Planting	3
2011 Training Dates	3

AFBIS INFORMATION

Mailing Address: PO Box 29627 Raleigh, NC 27626	Physical Address: 5171 Glenwood Avenue Suite 310 Raleigh, NC 27612
Underwriting Phone: 1-888-248-3588	Claims Phone: 1-800-965-5766
Fax: 1-919-783-3520	Office Hours: 8:15am-4:30pm Eastern Standard Time

New for the 2011 Crop Year: The Combo Policy

The combo policy revises the Common Crop Insurance Regulations to combine the Actual Production History (APH), Crop Revenue Coverage (CRC), Revenue Assurance (RA), Income Protection (IP), and Indexed Income Production into a single insurance plan. The intended effect of this action is to offer producers a choice of revenue protection or yield protection within one basic provision and the applicable crop provisions.

“The combo policy creates one insurance plan that replaces five similar plans, which will greatly simplify the insurance process for agents and promote better understanding of the options available for producers” said USDA’s Risk Management Agency Administrator William J Murphy. Carryover policyholders who insured their crops with a Crop Revenue Coverage or Revenue Assurance policy in 2010 will automatically have Revenue Protection for 2011. Carryover policyholders who insured their crops under the Actual Production History plan will be automatically rolled to the Yield Protection plan for 2011. If a policy holder wants to make a change in coverage to a different plan, it will need to be made prior to the sales closing date for the insured crop.

2010 Policy

Converted for 2011 Crop Year

Crop Revenue Coverage (CRC)	→	Revenue Protection
Revenue Assurance (RA) -with Fall Harvest Price Option	→	Revenue Protection
Revenue Assurance (RA) -without Fall Harvest Price Option	→	Revenue Protection -with Harvest Price Exclusion
Actual Production History (APH)	→	Yield Protection
Income Protection (IP) Indexed Income Protection (IIP)	→	Revenue Protection -with Fall Harvest Price Exclusion
CAT Income Protection (IP) Indexed Income Protection (IIP)	→	Revenue Protection -with Harvest Price Exclusion (50/100)

Acreage Reporting Reminders

We ask that agents review their Acreage Reports for accuracy before sending them in. The following is a list of the most commonly missed items.

1. Simple Average must be requested on the Acreage Report for added land.
2. Verify that all legal locations and/or farm serial numbers are correct. If a correction needs to be made, please correct and label it as such. If it is not labeled as a correction, we will enter the new legal/farm serial number as a new database.
3. The Acreage Report must be signed and dated by both the insured and the agent by the appropriate deadline.
4. Plant dates must be listed for all farms with planted acreage.
5. Percent interest of the insured must be listed and, if applicable, any shareholder.
6. The total acres planted must be listed on the Coverage Summary page. This page must accompany the Acreage Report.
7. All acres must be reported by legal location or farm serial number.
8. If a farm serial number is reconstituted and results in farms being combined or divided, the date of the recon must be listed on the acreage report.
9. All acreage reports must be in the Raleigh Regional Office 10 calendar days after the Acreage Reporting Deadline

Added Land Requirements:

The limitations are 640 acres and maximum 2000 acres. Acreage that exceeds 640 acres but is less than 2000 acres is required to go to RMA for review.

Items Needed for Review:

- Producer’s written request form
- Previous crop year’s production
- Aerial photographs
- 578s or 156EZs

Deadline:

No later than acreage reporting.

Note:

All acreage added over 2000 acres will receive a variable t-yield



CLAIMS DEADLINES

<u>End of Insurance</u>	<u>Final Date to Report a Claim</u>	<u>Crop</u>	<u>State</u>
7/31/10	8/15/10	Barley	NC
7/31/10	8/15/10	Wheat	AR, KY, NC, & TN
8/15/10	8/30/10	Potatoes	NC

Early Season Claims

If an insured submits a Notice of Claim prior to the completion of the Acreage Report, it is imperative that the Acreage Report is completed as soon as planting is completed. Crop adjusters can inspect damage anytime after planting, but the claim cannot be finalized until the Proof of Loss form is generated from the information contained in the timely filed Acreage Report. Prior to completing the Acreage Report, we would encourage the insured to certify acreage and shares with the FSA office. They should ask for the FSA form 578 which will assist in accurately insuring all acres and the correct share arrangement when completing the AFBIS, Inc Acreage Report.

Replant Claims- *For crops with a replant provision, please remember*

1. The insured must file the claim before the replant occurs
 2. A “replant” means replanting the same crop.
 3. The replant must be at least 20 acres or 20% of the acres in the unit.
 4. An adjuster must be able to inspect the original planting prior to the replant
- * There are no replant payments on CAT, GRP, or GRIP policies*



Prevented Planting Requirements

The prevented planting crop, unit number, legal description and acreage must be identified on the Notice of Claim. Also, the PP acres **must be listed on the Acreage Report**. The Claim Notice is not a substitute for reporting PP acres on the Acreage Report.

PREVENTED PLANTING

Prevented Planting Coverage General Understandings

- Prevented planting coverage due to excess precipitation general to the surrounding area that occurs during the insurance period, and prevents other producers from planting acreage with similar characteristics, is provided for most crops.
- Because conditions can vary significantly between geographic areas, loss determinations are based on each producer's circumstances; therefore insured producers must first contact their crop insurance agent to report prevented planting losses.

Prevented Planting Coverage

- The prevented planting guarantee for most crops is 60 % (65% or 70% if available and elected by the Sales Closing Date) of the production guarantee for timely planted acreage.
- For both CRC and RA with the Fall Harvest Price Option the final prevented planting payments are based on the Fall Harvest Price. Preliminary payments can be made and then recalculated after the release of the Fall Harvest Price for any additional amounts

Producer Choices When Prevented from Planting by Final Plant Date

1. Plant the insured crop during the late planting period. The late planting period is generally 25 days after the final plant date, but may vary by crop and area as specified in the policy. For most crops the planted production guarantee is reduced by one percent per day for each day planting is delayed after the final planting date.
2. Leave the acreage fallow (black dirt) and receive a full payment; or
3. Plant a cover crop but do not hay or graze prior to November 1st and receive a full prevented planting; or
4. Plant another crop (or hay or graze a cover crop before November 1st) after the late planting period and receive a prevented planting payment equal to 35 percent of the prevented planting guarantee.

Upcoming 2011 Training Dates

State	Date	Class	Location	Hours
KY	7/20/10	Update	Holiday Inn University Plaza, Bowling Green	8:00am-12:00pm
KY	7/21/10	Basic	Marriott Griffin Gate, Lexington	8:00am-5:00pm
KY	7/22/10	Update	Marriott Griffin Gate, Lexington	8:00am-12:00pm
OK	8/3/10	Basic	Oklahoma Farm Bureau Home Office, Oklahoma City	8:30am-5:30pm
OK	8/4/10	Update	Oklahoma Farm Bureau Home Office, Oklahoma City	8:30am-12:30pm
AR	8/10/10	Update	Cross County Farm Bureau Office, Wynne	9:00am-1:00pm
VA	8/10/10	Basic	Virginia Farm Bureau Home Office, Richmond	8:30am-5:30pm
VA	8/11/10	Update	Virginia Farm Bureau Home Office, Richmond	9:00am-2:00pm
TN	8/17/10	Basic	Tennessee Farm Bureau Home Office, Columbia	8:30am-5:30pm
TN	8/18/10	Update	Tennessee Farm Bureau Home Office, Columbia	8:30am-12:30pm
NC	8/24/10	Update	North Carolina Farm Bureau Home Office, Raleigh	8:00am-12:00pm
NC	8/24/10	Update	North Carolina Farm Bureau Home Office, Raleigh	1:00pm-5:00pm

Agent Incentive Leaders

<u>State</u>	<u>Agent</u>	<u>Acres</u>	<u>Level</u>
NC	Phyllis Burnette	281	3
OK	Doug Hauser	10,802	1
OK	Steve Martin	7,737	2
OK	Alton Weathers	5,947	2



Requirements:

- *Net acre growth*
- *No CAT policies*
- *Multi-peril and Crop Hail added together*
- *Premium paid by 12/1/10*