

6.12.2013

▶ Volume 14, Issue 3



2013 CBOT Prices...
 Corn - \$5.65/ BU.
 Beans - \$12.87/ BU.

Farm Bill Update

Majority Leader Reid filed for cloture on the Farm Bill [S.954] Wednesday evening. What is **CLOTURE**? It is a method of closing debate and causing an immediate vote to be taken on the question. The cloture motion requires a 60 vote threshold and it would create a final vote on the Farm Bill on Monday, June 10th. The 60 votes cast in favor would drop the number of pending amendments from more than 100 to 1 and would likely lead to a quick passage of S.954. If the motion failed, it would have been possible that Reid would have turned away from the Farm Bill in favor of the comprehensive immigration reform bill or student loan legislation. The Senate approved the motion to limit debate on the Farm Bill by a wide margin of 75 for and 22 nay. The vote on the

Farm Bill in the Senate took place Monday, June 10th at 5:00 p.m. with 30 minutes of debate on one amendment by Senator Leahy that would establish a pilot program for gigabit internet projects in rural areas.

The House is currently scheduled to debate the FARM Bill on June 17. They will face a similar problem as in the Senate with a great number of amendments that will be offered. A surprising Amendment was introduced yesterday by Congressman Fortenberry (R-NE) to require a conservation tie to crop insurance.

Groups like the Heritage Foundation and the Environmental Working Group are actively lobbying to defeat the farm bill in the House. Your Representative needs to hear from home about how im-

portant this bill is to their constituents. Encourage your colleagues to call as well.

You can reach your Representative by calling the U.S. Capitol Switchboard at 202-224-3121 and asking to be connected.

Continued on Page 2... Farm Bill



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“True contentment is a thing as active as agriculture. It is the power of getting out of any situation all that there is in it. It is arduous and it is rare.”

-Gilbert K. Chesterton

Important Dates

Sales Closing Date for Corn/ Beans	was 03/15/2013
Planting Date Range Corn-	April 6- June 5th 2013
Planting Date Range Beans-	April 21- June 20th
Acreage Report FSA Certification both due-	7/15/2013
RP YP Grip Base Price for Corn-	Oct. ave. Dec. CBOT
RP YP Grip Base Price for Beans-	Oct. ave. Nov. CBOT
End of Insurance (Last day file claim)	12/10/2013

Contacting us...

- Our office is S. off OLD US 24E - 4301 Grand Prix Drive in Logansport
- Mail to : P. O. Box 8, Logansport, IN 46947
- Our phone 574.737.7467 (Steve's cell 574.721.6499)
- Our Toll Free Number is 1.888.566.7467 (566.SIMS)
- www.dicksimsinc.com
- agency@dicksimsinc.com

Try the updated Climate.com: accuracy improved since Spring

Have you ever wanted to know rainfall totals, soil moisture levels, wind speed and direction, and specific forecasts for each of your fields without having to leave the comfort of your computer or iPad?

Climate.com has developed a service that will help growers plan and manage their operations, saving them time and improving their operational de-

cision-making.

With climate.com, growers are able to evaluate how weather risks change based on planting date to make more informed seasonal planting decisions, get a snapshot view of the weather on their fields to manage their daily work, and explore the weather history on their fields to understand its impact over time.

Since Dick Sims Agency is authorized to sell TWI, we have the

exclusive ability to provide our growers with unrestricted, free access to the climate.com service through July. Additionally, for farmers with over 250 acres, climate.com has offered to map all fields if electronic copies of your 578s are submitted.



Not sure who your Representative is? Check <http://www.house.gov/representatives/find/>

Here are some points you could include in a message regarding why your representative should support the farm bill:

- ◆ The House Farm Bill (H.R. 1947) achieves spending cuts that reduce the Federal budget deficit, saving taxpayers \$40 billion.
- ◆ It also repeals or consolidates more than 100 programs administered by the U.S. Department of Agriculture, including Direct Payments to crop producers.

- ◆ Without passage, no budget savings will be achieved.
- ◆ The farm bill promotes an economically healthy U.S. agriculture sector.
- ◆ Its policies serve a variety of purposes, including: meeting the food, fuel, and fiber needs of consumers worldwide; providing a farm and natural resource safety net; improving our balance of trade through trade promotion programs, promoting rural development, and creating needed jobs here at home.

If subsidized crop insurance is working well for your operation, what Congress decides on these issues could be critical to the future of your farm.

Drumlines to perform at Cass County 4-H Fair

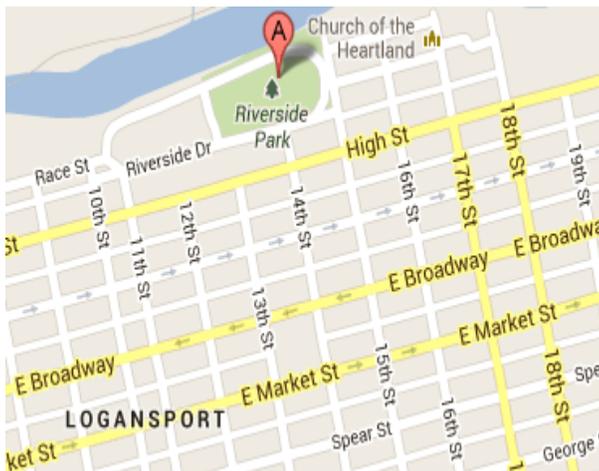
To showcase local youth talent and help promote attendance at the 2013 Fair, we are pleased to announce that the Drumlines of Logansport and Pioneer, both directed by Tim Miller, will be performing on Wed. July 10 for *Dick Sims Crop Insurance Day* at the fair. The performance will be from 6:00-6:45 outside the Merchant Building.

After the performance we will hold the 2nd annual *Tour de Fair*, where you can ride spinning (*stationary*) bikes in a head to head competition for prizes!

Dick Sims Agency, Inc.
 4301 Grand Prix Drive
 P. O. Box 8
 Logansport, IN 46947-0008

Please submit 2013 Acreage Reports! Latest Deadline is July 15th. When possible, a copy of the 578's and maps should be sent as well.

A Smart Farmer



2013 Agency Customer Appreciation Picnic

Our 2013 Customer Appreciation Picnic will again be held in the McHale Complex at Riverside Park in Logansport from 5-8pm Sat. July 20th. The menu for this year's picnic includes Nelson's port-a-pit chicken, Caesar salad, mashed potatoes, and carrots. Free carousel rides and games of putt-putt will be available. Put your name in the drawing for a 16GB Apple iPad 2, gift cards, and many other door prizes. Call the office (574-737-7467) to RSVP by July 10th.

- 5:00-6:00 Putt-Putt/Social
- 6:00-7:00 Dinner
- 7:15 Mike Silver Market Update
- 7:30 Door Prizes



So, you are thinking more about prevented planting, are you now?

You are not finished planting corn. Your fields are saturated. Rain is coming in torrents. More rain is in the forecast. You know the final planting date for crop insurance is (past) (in a few days). You may have already lost 10-15% of your potential yield. What is the first thing you do?

Number 1: Call your crop insurance agent.

Number 2: While waiting for him/her to return your call, read the following summary of Prevented Planting. It is condensed from an analysis by University of Illinois economist [Gary Schnitkey](#).

First of all check your policy for your prevented planting date. It will vary by state and will even vary within a state. And check your type of policy. If you have GRP or GRIP, you don't need to go any further because the county group policies do not have a prevented planting provision. If you have Revenue Protection or Yield Protection, pass Go and collect your money (if that is what you want.)

Your prevented planting benefits will cover the amount of acreage reflected by the average of your last four years for that particular crop. Since there are some asterisks, consult your agent for your exact acreage.

When your final planting date arrives your menu of choices includes:

1. **Taking a Prevented Planting payment** which totals 60% of your guaranteed payment. That guarantee is calculated from your coverage level for Revenue Protection or Yield Protection multiplied by the spring price guarantee of \$5.65 and multiplied by your actual production history (APH) yield. Then multiply that by 60%. Do you want to accept that amount, pay your input costs and manage the weeds in that field for the rest of the year? A sub-choice is planting another crop within 25 days of the final corn planting date. If you do that, you will not collect any payment for prevented planting. Another sub-choice is waiting 25 more days and planting another crop, but that will cut your prevented planting payment from 60% down to 35%.

2. **You can plant corn after the final planting date**, which is allowed by the provisions for prevented planting. If during that 25 day period corn is planted, you will not receive any payment for prevented planting. It is gone. However, you may still have a reduced level of crop insurance coverage on the late-planted crop. Your coverage is reduced by 1% per day until the field is planted, and if you are planting more than 25 days after the final planting date, your coverage will be set at 60% and remain at that level.

3. **You can plant soybeans** in that field after the final date for planting corn. By doing that you sacrifice your payment for prevented corn planting, but you will have crop insurance coverage for your soybeans, unless they are planted after their final planting date. And the coverage guarantee is reduced with the same formula as with corn. However, if this is your choice, before you put the first soybean in the ground, alert your crop insurance agent because she/he will have to change your policy from corn to soybeans.

Miscellaneous points:

- Work through the math to get a close idea of what your payment will be for prevented planting, as well as reductions for your coverage of a late planted corn crop if you plant after the final planting date.
- Think back to when you signed up for crop insurance to remember if you paid extra for a higher level of coverage for prevented planting. You might be paying a higher premium for 75% coverage, instead of just 60%.
- If you are concerned about the 60% not covering your input costs, calculate your updated input costs, which will mean reduced machinery, fuel, and drying costs, and whatever herbicide, fertilizer and seed you don't use. While gross revenue will be reduced, so will gross expense outlays.
- If you have planted just part of an insurable unit, prevented planting will only affect the unplanted portion, as long as it is more than 20% of the unit and not less than 20 acres.
- If you have planted just part of an insurable unit, which is covered by an enterprise policy, the minimum acreage provisions must be in two separate sections. Without that, the enterprise policy is not in effect and the policy will revert to optional or basic units.
- Your APH will not be impacted unless a second crop is planted on the acreage that was claimed as prevented planting

Summary:

Many Corn belt farmers have either hit or soon will hit the final planting date for corn and will make a decision on prevented planting. It is an option for management of the 2013 crop and operational revenue. However, there are many implications, and consultation with a crop insurance agent should be a priority.

