



## Floods, Droughts and Crop Insurance: Alternative Uses of Insured Crops

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Wisconsin weather has been full of surprises this summer—long dry spells and drought in many parts of the state, as well as record rainfalls and flooding in many places. As a result, many farmers have or expect to have crop losses. This bulletin is a quick summary of things to remember for farmers who bought crop insurance for their corn and/or soybeans.

Dry conditions or drought has led to poor pollination and/or low yields, so that some farmers are wondering if it wouldn't be better to make their corn into silage. Also, some farmers are wondering about making silage out of their soybeans, since they need forage and soybean yields will be low because of drought or dry weather. On the other hand, recent heavy rains and associated winds have caused corn to lodge in many places. As a result, some farmers are thinking about chopping their corn to pick it up better, or even pasturing it to get some feed value. Also, some farmers have corn underwater or washed out from flooding. This bulletin gives a few things farmers who insured their crops should remember about their weather damaged crops. The main point is that you should **always contact your crop insurance agent if you have questions.**

### **If You Have a Loss**

If your insured crop has a loss, you must file a notice of damage within 72 hours of discovery (not occurrence). Filing this notice is done through your crop insurance agent, who will provide guidance on how you should proceed. **If you think you have a loss, contact your crop insurance agent, and follow the directions you receive.** You may be required to leave a sample of the crop in the field of a specific size for a specified length of time. Cooperate with the loss adjusters by allowing them to visit the damaged crop and to remove crop samples and by providing requested records and documents. There may be several requirements, so work closely with your crop insurance agent to ensure that coverage is not lost due to a technical issue.

**You must continue to protect the crop from further damage. For example, you cannot abandon the crop and let livestock graze it.** You can receive permission to graze an insured crop, but you may forfeit indemnities if you graze it without permission.

Aflatoxin or other grain quality issues due to drought, flooding, and similar stresses are insurable causes of loss and you may receive an indemnity. **If you think or suspect you have aflatoxin, mycotoxins, mold, or other grain quality problems, contact your crop insurance agent before you harvest the grain, place harvested grain in storage, or deliver it for sale.** Loss adjusters will need representative samples from the standing crop for determining indemnities.

Farmers who insured their corn for silage can receive an indemnity not only if their silage yield is low, but also if their silage is grain deficient. **If you believe your silage is grain deficient, contact your crop insurance agent.**

### **Alternative Uses of Insured Crops**

Wisconsin farmers who buy crop insurance for corn must declare it as either corn for grain or corn for silage. Soybeans are by default insured as grain. **Insured corn and soybeans can be used for silage, forage, or grazed and you can still receive an indemnity if one is due, but you must first receive permission for an “Alternative Use” of the insured crop.** You do not have to use the forage yourself, but can sell it. Put a listing in a local newspaper or on a local radio station, contact local dairy farmers directly, or put a listing on the UW-Extension Farmer to Farmer Hay, Forage, and Corn List at <http://farmertofarmer.uwex.edu/index.cfm>, or contact your local UWEX county agent.

If you want to chop or graze soybeans or corn insured as grain, the process works as follows. **First, contact your crop insurance agent and explain what you want to do.** If you chop or graze your insured crop without first receiving permission from your agent, you may forfeit any insurance indemnity you would have received. An insurance adjuster will visit your fields to assess your yields. If it is too early to estimate grain yield, you will likely be required to leave unchopped or ungrazed strips that later will be used to estimate your grain yield to determine your indemnity. If these strips have high enough yields, you will not receive an indemnity. An adjuster will assess your yields and explain your options. Choose the option that seems best to you and follow the required procedures so that you receive any indemnity you are due.

Note that using drought stressed crops for forage, silage, or grazing can be different than normal crops. Be sure to follow guidelines available on the UW Extension Responds-Drought 2007 web page (<http://www.uwex.edu/ces/ag/issues/drought/>) to avoid problems such as nitrate toxicity or aflatoxins. Contact your local UWEX county agent for more information or guidance.

### **For More Information**

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Paul D. Mitchell's Extension Web Page: <http://www.aae.wisc.edu/mitchell/extension.htm>.

An Overview of Federal Crop Insurance in Wisconsin.

[http://www.aae.wisc.edu/mitchell/Federal\\_Crop\\_Insurance\\_in\\_Wisconsin.pdf](http://www.aae.wisc.edu/mitchell/Federal_Crop_Insurance_in_Wisconsin.pdf)

Drought and Alternative Uses of Insured Crops: Can I Chop My Insured Corn for Silage?

[http://www.aae.wisc.edu/mitchell/Insurance\\_and\\_Silage.pdf](http://www.aae.wisc.edu/mitchell/Insurance_and_Silage.pdf)

UW Extension Responds-Flood August 2007:

<http://www.uwex.edu/ces/ag/issues/ExtensionResponds-Flood-August2007.html>

UW Extension Responds-Drought 2007: <http://www.uwex.edu/ces/ag/issues/drought/>

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USDA-RMA Aflatoxin and Crop Insurance Fact Sheet:

[http://www.rma.usda.gov/fields/mn\\_rso/2007/2007stpaulaflatoxin.pdf](http://www.rma.usda.gov/fields/mn_rso/2007/2007stpaulaflatoxin.pdf).