



New York State  
Department of  
Agriculture &  
Markets

# Crop Insurance

## FARMER SUCCESS STORY

### Insuring Against Drought

**Fabius, NY** -- When most of us look back on the summer of 2011, we'll probably remember it as one of the wettest on record. So it might surprise us that this summer was also one of the driest in the minds of central New York farmers. Before late August brought Hurricane Irene and tropical storm Lee, dry weather was hurting crop yields.



C. Thomas Trinder of Trinder Dairy Farm in Fabius counts on four to five cuttings of hay to feed his organic dairy herd, consisting of 132 adult cattle and 110 head of young stock. After a bountiful 121-truckloads of first cut forage, hot dry days caused his second cutting to drop to 33 truckloads, followed by 31 truckloads for his third. The fourth and usually his last cutting was not shaping up well, and he was considering a fifth. Since Trinder's main crops are hay and pasture, with 240 mouths to feed, he's in trouble if he has a bad year.

"The problem is, if we don't get the amount of yield that I was hoping we would get, it means I'm going to have to buy some hay," said Trinder.

But Trinder carries a pasture and hay crop insurance policy called Pasture, Rangeland, Forage (PRF), that insures against lack of precipitation and may help him purchase hay if he does not produce enough.

PRF insurance uses 50 years of historic rainfall data from the National Oceanic and Atmospheric Administration (NOAA) to establish the level of "normal" rainfall for each month. Producers must select two or more non-overlapping two-month intervals that are important for their pasture and/or hayland, and insure between 10- 70% of their land in each interval. When actual precipitation falls a certain threshold below the 50-year average, a payment is automatically calculated and mailed to the producer.

"The record keeping is the easiest that I've ever seen on any insurance policy I've ever taken out. That's because you don't have to show any production data, and it is solely based on the rainfall," says Trinder.

Because hay is so critical to Trinder's operation, he insures his land as hayland at 85% of its base value per acre (\$226.43 state-wide for the 2012 insurance year). Even though premiums are higher for hayland than pasture, so is the base value per acre that sets the payment rate. With 51-59% of the premium subsidized by USDA, and any resulting payments helping him replace the hay that he relies on, Trinder finds the coverage affordable and worthwhile.

"I think any insurance policy helps you to reduce anxiety," nods Trinder. "Most of the time it's not used, but it certainly does help to reduce anxiety."



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*The New York State Department of Agriculture and Markets has partnered with USDA Risk Management Agency (RMA) to provide crop insurance education to New York State farmers. For more information, please visit the NYS Crop Insurance Education website at [www.agriculture.ny.gov/AP/CropInsurance.html](http://www.agriculture.ny.gov/AP/CropInsurance.html) or call 518-457-4531. The RMA website is: [www.rma.usda.gov](http://www.rma.usda.gov). To find a crop insurance agent, ask a neighbor for a recommendation, contact your local Farm Service Agency (FSA) office or use the USDA RMA crop insurance agent locator tool on the web at [www.rma.usda.gov/tools/agent.html](http://www.rma.usda.gov/tools/agent.html)*