

# FARM & Crop Roundup

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## Your Insurance Review = Step 1 to Real Protection

Perhaps the single most important thing you can do to ensure you are appropriately insured for life's worst surprises is this: plan a periodic review with your agent. Like fitting a glove to your hand, each review helps align the best insurance products to fit the changing, real-life conditions on your farm. Each year, more change occurs than you might think. To get a feel, ask yourself:

- What additions or changes have you made to storage buildings or the office in your shed? We can help keep its valuation up-to-date, avoiding any potential problems at claim time.
- Does your agent know you have an ATV, which type, its value and cc's? Due to recent policy changes, that information is necessary to determine if the ATV falls under farm equipment, or if added coverage is necessary.
- Have you purchased or upgraded your drone? New coverage is now available. Your agent needs its specs for both the liability portion of your policy, and also listed in inventory for potential physical damage.
- Do you allow hunting on any of your ground and, if so, do you receive compensation for the access? This use and income influences the kind of coverage you need, so your agent will want to know.
- When is the last time you and your agent made a thorough review of your equipment list? Chances are your inventory has changed, and this should be reflected in your coverage.
- Another new type of farm coverage is now available. Equipment breakdown coverage can cover machines including your grain dryer and GPS units, generators, well pumps—even your furnace, AC, boilers and more. Learn more when you conduct your agent review.
- And, finally, agents recommend you carry worker's compensation coverage. If you have an employee and they are injured on a licensed vehicle or are doing work off the farm, your farm policy may not provide coverage. Our office is ready to provide your quote and explain your coverage options.

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# Side Businesses Bring Unique Risks

Insure Them NOW

From excavation to custom farming, and trucking to manure hauling – farmers might be the original multi-taskers. Side businesses can help spread labor and even out income. But they generally come along with additional equipment, travel, man hours and their own unique liability

considerations. If you operate a side business in addition to your farm, discuss the enterprise with your agent. And, if you operate from a detached structure on your property, make your appointment soon—as the liability considerations may be greater.

## Court Ruling May Set Chemical Drift Precedent

Many farmers have at least some experience with herbicide and/or pesticide drift. It's always important to apply these products carefully, and under optimal conditions. But a relatively recent Minnesota Court of Appeals ruling underscores the importance.

The Court recently ruled that an organic farm bordered by conventional farms could seek damages for lost crops, along with lost profits, caused by the drift of products used to manage weeds and pests on neighboring properties. In this case, the organic farm had purportedly suffered drift contamination in four different seasons. An agricultural cooperative located near the farm was suspected to be at fault.

The Court ruled that particulate matter including herbicides, pesticides and GM particulates, could be considered illegal trespass, and subject to laws concerning other forms of trespass. A similar California case also was decided in favor of an organic farm that claimed the farm's crops were contaminated by pesticides carried across several miles on fog.

To-date, no such cases have occurred in Illinois. But caution and precision in product application continue to be important. And, for conventional farmers bordered by organic growers, the pressure—and potential liability—may be even greater.



# Ag Community Outcry Saves Crop Insurance

Agricultural community voices united late last year to successfully save American farmers' crop insurance from deep cuts. Fully \$3 billion in cuts were included in the Bipartisan Budget Act of 2015, approved this past fall. The action was followed by an outcry from individuals and associations, including Independent Farm Agents of Illinois, of which your agent is a valued member. The loud and rapid outcry led legislators to strip the crop insurance cuts from law through another piece of legislation—the Highway Bill, passed by the House and Senate in early December and then signed by President Obama. On the upside, it's encouraging to see legislators respond to these constituent requests. The downside: legislative experts say such cuts will likely be proposed again, so farmers and agents need to watch proposals and be ready to call their legislators again down the road.

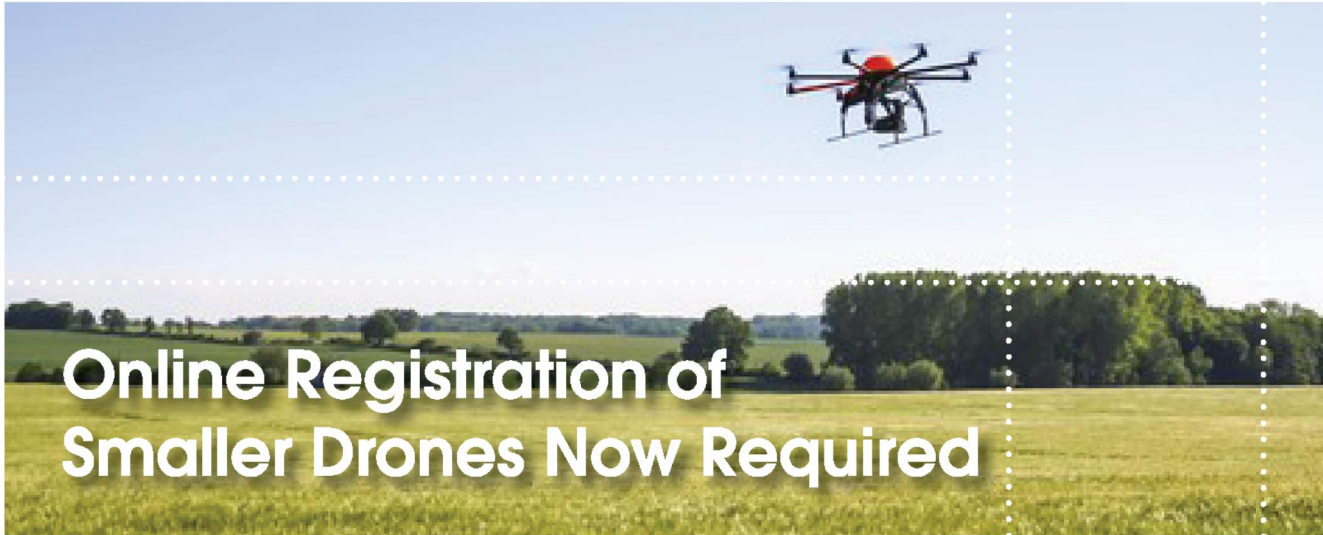
## Dates to Note:

### **BOND INSURES THOSE WHO CARRY PERSONAL WEAPON**



Illinois' recently-enacted concealed carry law affords residents previously unavailable personal protection. But what protects you if that dangerous circumstance should arise—and you actually use your personal handgun? A legal challenge or criminal investigation of your gun use is almost certain to occur.

Plan now for peace of mind. Protect your financial assets with a Concealed Carry Criminal Defense Reimbursement Bond. For permit holders of a legally possessed weapon, the bond provides for reasonable legal fees, expenses and the cost of defense up to your chosen limit. Generally, fully automatic weapons will not be covered. Requirements and provisions may vary by bond provider. If you've chosen to carry a concealed weapon, it's worth taking a look at this coverage.



## Online Registration of Smaller Drones Now Required

Drone technology is rapidly advancing, expanding options for beneficial agricultural uses. The U.S. government in December took steps to catch up, issuing new Federal Aviation Administration (FAA) rules. Effective December 21, 2015, drone owners must register their device with the FAA's Unmanned Aircraft System. A \$5 registration fee is required, and civil and criminal penalties apply to those who fail to register. A few details:

- Online registration opened on December 21, 2015, at [www.faa.gov/uas/registration/](http://www.faa.gov/uas/registration/). For drones bought prior to December 21, 60 days after purchase are allowed for registration. Newly-purchased drones must be registered prior to their first flight.
- Register before January 20, 2016 and your \$5 registration fee will be refunded.

- When operating your drone, keep proof of registration nearby.
- Drones with a purchase price of less than \$100, or weighing less than 250g need not be registered.
- UAS that are 55 pounds or more must be registered using the current paper based system. Find more information at [www.faa.gov/uas/registration/](http://www.faa.gov/uas/registration/).

Registration will make it easier to track down owners of devices involved in crashes or incidents, an FAA spokesperson said. Find safety and operating guidance on the internet at [www.faa.gov/uas/model\\_aircraft](http://www.faa.gov/uas/model_aircraft). Review the UAS Registration FAQs to learn more about registration and requirements.

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## Double-Check Premium Subsidy Eligibility

Who will be eligible or ineligible for the Federal Crop Premium Subsidy for the 2016 calendar year? Questions continue to arise on the topic. Certainly, ask your agent if you have concerns. Also, note these known disqualifiers:

- Policyholders will not be eligible for the premium subsidy if they are determined to be "out of compliance" with conservation rules and regulations for Highly Erodible Land (HEL), or those for wetland acres.

- To be eligible for the premium subsidy, you must have filed an AD-1026 form with your local Farm Service Agency office not later than June 1st—in preparation for the 2016 insurance year.

You'll find additional information at [www.rma.usda.gov](http://www.rma.usda.gov). However, your agent is likely to be your best resource.

