

BARNYARDS & BACKYARDS



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Wyoming producers insured fewer acres in 2015

Crop insurance data for Wyoming producers mirrors the trend in the state's production agriculture sector: lower prices and above-average rainfall and growing conditions.

Insured acres declined 136,754 from 2014, and total losses declined by \$5,159,750. This is not unexpected given the above-average growing season and adequate water supplies. Total acres covered tend to drop in these types of years.

The loss ratio for the state was 0.47, on par with 2011 (0.46) and the second lowest since 2001. These figures are summarized in Table 1.

Lower Prices Mean Larger Indemnities for Revenue Insurance

Crop producers generally have the choice between three options (depending on the crop):

- Revenue Protection (RP, insuring against declines in price and yield) with or without harvest price exclusion (HPE);

- * Yield Protection (YP, for declines in yield);

- * For crops where RP and YP are not available, the conventional Actual Production History (APH) based-policies are used.

For further information:

- Visit the RMA website (bit.ly/rmaprograms) for more program information and data.
- Visit RightRisk.org for more information about crop insurance and numerous other risk management planning resources.

Important sign-up deadlines:

- RI-PRF Insurance is November 15.
- Winter wheat sales deadline is September 30 (final planting date varies by state and county).
- Spring-planted crops sales deadline is March 15, 2017.
- Forage insurance sales deadline is September 30, with acreage reported by November 15, 2016.

Data for these policies in Wyoming is summarized in Table 2. In 2015, Wyoming producers insured 145,050 acres in RP and RP-HPE policies. Prices for commodities were down across the board from 2014, resulting in higher indemnities paid for most RP policies.

This resulted in the higher loss ratio (even with a lower total liability than in 2014) and an increase in total indemnities (\$746,484 over 2014).

The data for YP policies showed an increase in net acres (20,856) premium and indemnity (\$623,124). The YP loss ratio at 0.83 was up slightly from 0.76 in 2014. APH-based policies showed the largest decrease in loss ratio (from 0.99 to 0.30) and total indemnity (from \$8,135,562 to \$1,843,425)

Forage and Livestock Programs

As with previous years, the available livestock insurance programs, including Livestock Risk Protection (LRP, available for fed cattle, feeder cattle, lamb, and swine) and Livestock Gross Margin (LGM, available for beef and dairy cattle) remain under-utilized. The LGM program was not utilized in 2015; and, surprisingly, LRP Lamb went from \$6,044,066 in liability to \$0. LRP feeder cattle and fed cattle showed significant increases to contracts worth \$1,732,243 and \$269,103 respectively.

Pasture Range and Forage-Vegetative index insurance (VI-PRF) changed to rainfall index for the 2015-2016 crop year and beyond and is still

Table 1. 2013–2015 Insurance Data Comparison

Crop Year	# Policies	Net Acres	Liability	Premium	Reported Losses	Loss Ratio
2013	2,521	1,792,684	\$144,458,359	\$18,501,592	\$23,781,018	1.29
2014	2,433	2,031,408	\$128,160,664	\$18,004,346	\$12,776,121	0.71
2015	2,308	1,894,654	\$124,539,032	\$16,262,366	\$7,616,371	0.47

Table 2. Wyoming 2015 Crop Insurance Policy Data

Type	Policies Earning Prem	Policies w/ Indemnity	Net Acres	Liabilities	Total Premium	Total Indemnity	Loss Ratio
APH	848	163	161,099	\$49,083,443	\$6,419,667	\$1,943,425	0.30
RP	637	280	144,975	\$29,379,034	\$4,772,503	\$3,080,984	0.65
RP-HPE	5	0	75	\$26,571	\$2,418	\$0	0.00
YP	609	162	104,296	\$28,758,624	\$2,398,550	\$2,000,561	0.83

Denotes significant decrease from 2014 data.

Table 3. VI-PRF 2012-2015 Comparison

Year	# Policies	Net Acres	Total Liability	Total Premium	Total Indemnity	Loss Ratio
2012	127	769,568	\$4,896,190	\$853,373	\$1,082,300	1.27
2013	224	1,349,958	\$10,457,387	\$1,754,261	\$3,812,582	2.17
2014	192	1,635,595	\$13,689,302	\$2,446,290	\$760,723	0.31
2015	173	1,482,310	\$12,099,316	\$2,280,736	\$326,891	0.14

a popular risk management tool for Wyoming livestock producers.

The 2012-2015 comparison is shown in Table 3. Total liability remained relatively the same at \$12,099,316. Policies earning premiums were down to 173 from 192, and total acres insured declined from 1,635,595 to 1,482,310. Total indemnities decreased substantially from \$760,723 to \$326,891 with the loss ratio decreasing to 0.14, further showing just how good the growing year was for most of the state.

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Why should you care about the Worker Protection Standard?

If you farm, ranch, have greenhouses (including hoop houses), and apply pesticides, including organic (25b registered products), this information applies to you

As an ag producer myself, I find the Worker Protection Standard (WPS) irritating, a little confusing, and challenging to stay in compliance.

The original version of this rule was passed into law in 1992 and was designed to protect ag workers who may work with or come into contact with pesticides. We have been asked to write a series of articles outlining key areas of the WPS.

As an Ag Producer – Why should you care?

The WPS is designed to provide oversight of ag employers and protection of ag workers. Historically, ag worker safety has not been covered by regulations or any government entity (think OSHA).

For ag worker employers – you need to be aware the Environmental Protection Agency (EPA) has the legal authority under federal law to visit your property, inspect your operation, inspect your records, and, if you are out of compliance, assess civil and criminal penalties. EPA inspectors are targeting locations in Wyoming to conduct inspections because the Wyoming Department of Agriculture does not enforce the federal pesticide laws.

Who is responsible for compliance with WPS?

In general, employers are responsible for WPS compliance. These include:

- Owners/employers of and on agricultural establishments that grow and harvest for commercial production (this includes feed for livestock where the livestock may be sold at a later date): any commodity to be sold directly or indirectly on farms and ranches; timber and trees in forests and nurseries; and plants in greenhouses and nurseries.
- Employers of researchers who help grow and harvest plants.
- Employers at commercial pesticide handling establishments.

- The WPS also applies to cooperative programs (community gardens, etc.) in which the growers themselves make or arrange for pesticide applications.

Who is protected by the WPS?

The WPS protects employees on farms, forests, nurseries, and greenhouses from occupational exposure to agricultural pesticides and covers two types of employees:

- Pesticide handlers – Those who mix, load, or apply agricultural pesticides, clean or repair pesticide application equipment, or assist with the application of pesticides.
- Agricultural workers – Those who perform tasks related to growing and harvesting plants on farms or in greenhouses, nurseries, or forests.
- Workers include anyone employed for any type of compensation (including self-employed) doing tasks such as carrying nursery stock, repotting plants, watering, or other tasks directly related to the production of agricultural plants on an agricultural establishment (this includes rangeland production for livestock feed).
- Workers do NOT include employees such as office employees, truck drivers, mechanics, and any other workers not engaged in worker/handler activities.

Some requirements apply to anyone doing certain tasks, such as handling pesticide application equipment or cleaning or laundering pesticide-contaminated personal protective equipment.

We will discuss exceptions from the WPS in next month's installment.

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