

surance on such crop will be discontinued pursuant to this Act is hereby terminated at the end of the 1947 crop year.”

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1505, 1506, 1507, 1515, 1516, 1522, 1523, 2008f, 7211, 7333 of this title.

§ 1508a. Double insurance and prevented planting

(a) Definitions

In this section:

(1) First crop

The term “first crop” means the first crop of the first agricultural commodity planted for harvest, or prevented from being planted, on specific acreage during a crop year and insured under this chapter.

(2) Second crop

The term “second crop” means a second crop of the same agricultural commodity as the first crop, or a crop of a different agricultural commodity following the first crop, planted on the same acreage as the first crop for harvest in the same crop year, except the term does not include a replanted crop.

(3) Replanted crop

The term “replanted crop” means any agricultural commodity replanted on the same acreage as the first crop for harvest in the same crop year if the replanting is required by the terms of the policy of insurance covering the first crop.

(b) Double insurance

(1) Options on loss to first crop

Except as provided in subsections (d) and (e) of this section, if a first crop insured under this chapter in a crop year has a total or partial insurable loss, the producer of the first crop may elect one of the following options:

(A) No second crop planted

The producer may—

- (i) elect to not plant a second crop on the same acreage for harvest in the same crop year; and
- (ii) collect an indemnity payment that is equal to 100 percent of the insurable loss for the first crop.

(B) Second crop planted

The producer may—

- (i) plant a second crop on the same acreage for harvest in the same crop year; and
- (ii) collect an indemnity payment established by the Corporation for the first crop, but not to exceed 35 percent of the insurable loss for the first crop.

(2) Effect of no loss to second crop

If a producer makes an election under paragraph (1)(B) and the producer does not suffer an insurable loss to the second crop, the producer may collect an indemnity payment for the first crop that is equal to—

- (A) 100 percent of the insurable loss for the first crop; less
- (B) the amount previously collected under paragraph (1)(B)(ii).

(3) Premium for first crop if second crop planted

(A) Initial premium

If a producer makes an election under paragraph (1)(B), the producer shall be responsible for a premium for the first crop that is commensurate with the indemnity paid under paragraph (1)(B)(ii). The Corporation shall adjust the total premium for the first crop to reflect the reduced indemnity.

(B) Effect of no loss to second crop

If the producer makes an election under paragraph (1)(B) and the producer does not suffer an insurable loss to the second crop, the producer shall be responsible for a premium for the first crop that is equal to—

- (i) the full premium owed by the producer for the first crop; less
- (ii) the amount of premium previously paid under subparagraph (A).

(c) Prevented planting coverage

(1) Options on loss to first crop

Except as provided in subsections (d) and (e) of this section, if a first crop insured under this chapter in a crop year is prevented from being planted, the producer of the first crop may elect one of the following options:

(A) No second crop planted

The producer may—

- (i) elect to not plant a second crop on the same acreage for harvest in the same crop year; and
- (ii) subject to paragraph (4), collect an indemnity payment that is equal to 100 percent of the prevented planting guarantee for the acreage for the first crop.

(B) Second crop planted

The producer may—

- (i) plant a second crop on the same acreage for harvest in the same crop year; and
- (ii) subject to paragraphs (4) and (5), collect an indemnity payment established by the Corporation for the first crop, but not to exceed 35 percent of the prevented planting guarantee for the acreage for the first crop.

(2) Premium for first crop if second crop planted

If the producer makes an election under paragraph (1)(B), the producer shall pay a premium for the first crop that is commensurate with the indemnity paid under paragraph (1)(B)(ii). The Corporation shall adjust the total premium for the first crop to reflect the reduced indemnity.

(3) Effect on actual production history

Except in the case of double cropping described in subsection (d) of this section, if a producer make an election under paragraph (1)(B) for a crop year, the Corporation shall assign the producer a recorded yield for that crop year for the first crop equal to 60 percent of the producer’s actual production history for the agricultural commodity involved, for purposes of determining the producer’s actual production history for subsequent crop years.

(4) Area conditions required for payment

The Corporation shall limit prevented planting payments for producers to those situations

in which other producers, in the area where a first crop is prevented from being planted is located, are also generally affected by the conditions that prevented the first crop from being planted.

(5) Planting date

If a producer plants the second crop before the latest planting date established by the Corporation for the first crop, the Corporation shall not make a prevented planting payment with regard to the first crop.

(d) Exception for established double cropping practices

A producer may receive full indemnity payments on two or more crops planted for harvest in the same crop year and insured under this chapter if each of the following conditions are met:

(1) There is an established practice of planting two or more crops for harvest in the same crop year in the area, as determined by the Corporation.

(2) An additional coverage policy or plan of insurance is offered with respect to the agricultural commodities planted on the same acreage for harvest in the same crop year in the area.

(3) The producer has a history of planting two or more crops for harvest in the same crop year or the applicable acreage has historically had two or more crops planted for harvest in the same crop year.

(4) The second or more crops are customarily planted after the first crop for harvest on the same acreage in the same year in the area.

(e) Subsequent crops

Except in the case of double cropping described in subsection (d) of this section, if a producer elects to plant a crop (other than a replanted crop) subsequent to a second crop on the same acreage as the first crop and second crop for harvest in the same crop year, the producer shall not be eligible for insurance under this chapter, or noninsured crop assistance under section 7333 of this title, for the subsequent crop.

(Feb. 16, 1938, ch. 30, title V, § 508A, as added Pub. L. 106-224, title I, § 108, June 20, 2000, 114 Stat. 368.)

PRIOR PROVISIONS

A prior section 1508a, act Feb. 16, 1938, ch. 30, title V, § 508A, as added Aug. 14, 1989, Pub. L. 101-82, title VI, § 604, 103 Stat. 587; amended Aug. 10, 1993, Pub. L. 103-66, title XIV, § 1403(b)(3), 107 Stat. 334, related to crop insurance yield coverage, prior to repeal by Pub. L. 103-354, title I, §§ 107, 120, Oct. 13, 1994, 108 Stat. 3197, 3208, effective Oct. 13, 1994, and applicable to provision of crop insurance beginning with 1995 crop year.

EFFECTIVE DATE

Section applicable beginning with the 2001 crop of an agricultural commodity, see section 171(b)(2)(F) of Pub. L. 106-224, set out as an Effective Date of 2000 Amendment note under section 1501 of this title.

§ 1509. Exemption of indemnities from levy

Claims for indemnities under this chapter shall not be liable to attachment, levy, garnishment, or any other legal process before payment

to the insured or to deduction on account of the indebtedness of the insured or the estate of the insured to the United States except claims of the United States or the Corporation arising under this chapter.

(Feb. 16, 1938, ch. 30, title V, § 509, 52 Stat. 75; Pub. L. 103-354, title I, § 115(c), Oct. 13, 1994, 108 Stat. 3204.)

AMENDMENTS

1994—Pub. L. 103-354 substituted “or the estate of the insured” for “or his estate”.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-354 effective Oct. 13, 1994, and applicable to provision of crop insurance under Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) beginning with 1995 crop year, with such Act, as in effect on the day before Oct. 13, 1994, to continue to apply with respect to 1994 crop year, see section 120 of Pub. L. 103-354, set out as a note under section 1502 of this title.

TRANSFER OF FUNCTIONS

Administration of program of Federal Crop Insurance Corporation transferred to Secretary of Agriculture by 1946 Reorg. Plan No. 3, § 501, eff. July 16, 1946, 11 F.R. 7877, 60 Stat. 1100. See note set out under section 1503 of this title.

Wartime consolidation of Federal Crop Insurance Corporation into Agricultural Conservation and Adjustment Administration, see note set out under section 1503 of this title.

§ 1510. Deposit and investment of funds; Federal Reserve banks as fiscal agents

All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or with the approval of the Secretary of the Treasury may be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are hereby authorized and directed to act as depositories, custodians, and fiscal agents for the Corporation in the performance of its powers conferred by this chapter.

(Feb. 16, 1938, ch. 30, title V, § 510, 52 Stat. 75.)

TRANSFER OF FUNCTIONS

Administration of program of Federal Crop Insurance Corporation transferred to Secretary of Agriculture by 1946 Reorg. Plan No. 3, § 501, eff. July 16, 1946, 11 F.R. 7877, 60 Stat. 1100. See note set out under section 1503 of this title.

Wartime consolidation of Federal Crop Insurance Corporation into Agricultural Conservation and Adjustment Administration, see note set out under section 1503 of this title.

§ 1511. Tax exemption

The Corporation, including its franchise, its capital, reserves, and surplus, and its income and property, shall be exempt from all taxation on or after February 16, 1938, imposed by the United States or by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. A contract of insurance of the Corporation, and a con-