



**United States  
Department of  
Agriculture**

Federal Crop  
Insurance  
Corporation

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November 19, 2014

**TO:** Board of Directors  
Federal Crop Insurance Corporation

**FROM:** Brandon C. Willis /signed by Michael Alston for/  
Manager

**SUBJECT:** Manager's Report  
Exhibit No. 4255

This document is the Manager's Report to the Federal Crop Insurance Corporation Board of Directors (FCIC) meeting on November 19, 2014.

### **Farm Bill Work**

**Whole-Farm Revenue Protection (WFRP) New Product Release:** The new WFRP insurance product was released on November 6 effective for the 2015 insurance year. Sales closing dates are February 28 and March 15. WFRP will provide revenue coverage for the whole farm under one policy for farms with up to \$8.5 million of insured revenue. The new product is being offered in all of the states where Adjusted Gross Revenue and Adjusted Gross Revenue-Lite were previously offered as well as in all of the expansion areas approved by the FCIC Board at the May Board meeting.

**Peanut Revenue:** On September 18, the FCIC Board of Directors approved a privately submitted peanut revenue insurance policy. RMA will offer revenue protection everywhere the existing APH program is offered. These changes will be implemented starting with the 2015 CY. Policy and program materials for peanut revenue will be released later this month.

### **Research, Contracts, Studies, and Workgroups**

**Acreage and Crop Reporting Streamlining Initiative (ACRSI):** The ACRSI Program Office continues work to achieve:

- (1) The Farm Bill requirement to develop and implement streamlined acreage reporting processes that provide the option of electronic or conventional one-stop acreage reporting for producers participating in USDA programs by September 30, 2015; and
- (2) The broader ACRSI objectives of improved policy integration and data sharing capabilities between USDA agencies.

**Poultry Catastrophic Disease Loss:** A contract to provide a feasibility study for poultry catastrophic disease losses, as required by the Farm Bill, was awarded to Watts and Associates on October 20, 2014.

### **Final Rules**

**Macadamia Tree and Macadamia Nut Crop:** The comment period for the Macadamia Tree and Macadamia Nut proposed rule ended September 30, 2014. RMA received 23 comments from two commenters. The comments have been addressed and the draft Final rule has been submitted for OGC review. The purpose of the rule is to remove the provision requiring an optional unit to contain at least 80 acres, add a definition of “scaffold limb”, allow the insurance company to inspect all insured acreage before removing any destroyed trees, and allow the calendar date for the end of the insurance period to be changed by the actuarial documents. The changes will apply for the 2016 and succeeding crop years for macadamia trees and the 2017 and succeeding crop years for macadamia nuts.

### **Data and Systems**

**Crop Insurance Decision Tool (CIDT):** RMA publically released a web-based educational tool to help producers and agents understand how the Supplemental Coverage Option and Stacked Income Protection Plan interact with traditional crop insurance. The tool does not provide an exact quote, but rather generalizes the programs as a first step towards making a purchasing decision. RMA plans to release a mobile app version (iOS and Android) of the tool in November.

## **INSURANCE SERVICES DIVISIONS**

### **Risk Management Education Division**

The 2013 agreements (awarded September 2013 – September 2014) have come to the project end with the exception of those that have received no cost extensions. Final reports are due at the end of December 2014 to begin the closeout process. The 2014 (awarded September 2014 – September 2015) agreements have been awarded, and the Risk Management Education Division is working with awardees to ensure that projects are conducted appropriately.

## **PERSONNEL ANNOUNCEMENTS**

Ben Thiel reported for duty as the Director for the Spokane RO effective October 6. Ben has worked for the Risk Management Agency in the Kansas City office for the past six years as a Risk Management Specialist in the Policy Administration Branch with primary policy responsibilities in area-based plans of insurance, canola, forage, malting barley, onions, and all small grains. Ben holds a Bachelor of Arts degree from Idaho State University. He successfully completed a yearlong leadership development program with FSA in 2005. Ben grew up on a family farm that produced alfalfa, malting barley, and potatoes west of Idaho Falls, Idaho.

## **COMPLIANCE OVERSIGHT**

**National Program Operation Reviews (NPOR):** The purpose of the NPOR is to assess each AIPs adherence to the terms and conditions of the Standard Reinsurance Agreement (SRA) and to Federal Crop Insurance Corporation (FCIC) policies and procedures, primarily focusing on requirements outlined in SRA Appendix IV “Quality Assurance and Program Integrity.” Appendix IV outlines the specific review requirements an AIP must perform as part of their quality assurance program. For each requirement a review is conducted to determine whether the AIP has in place and is utilizing the processes necessary to provide reasonable assurance they are in compliance. Four AIPs will be reviewed in 2014.