

INFORMATIONAL MEMORANDUM: COM-19-003

DATE May 23, 2019

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Heather Manzano, Deputy Administrator for Compliance /s/ Heather Manzano
5/23/2019

SUBJECT: Apiculture Crop Provisions Lease Requirement

Background

The Rainfall Index Apiculture (API) Crop Provisions Section 4 (c) states that to be insured, colonies must be located on acreage the insured owns or leases that allows the placement of the colonies on the acreage. The Rainfall and Vegetation Index Plan Common Policy defines "Lease" as a written document granting use or occupation of property for a specified compensation, during a specified period of time. Compensation may include, but is not limited to: cash, share of insured crop, proceeds, labor, calf crop, honey, services, etc. The Risk Management Agency (RMA) has identified instances where policyholders do not have a lease, as defined by policy, in effect for the respective insured crop year.

Insurance is based on the selected grid physically located within owned or leased acreage. Without written permission to place colonies on clearly identifiable acreage, RMA has no assurance that a policyholder is eligible to insure the selected grid.

Action

Approved Insurance Providers and their agents should remind insureds that acreage not legally owned by the policyholder must have a contemporaneous lease in place as defined by the policy.

DISPOSAL DATE:

Until modified or rescinded