

PRODUCT MANAGEMENT BULLETIN: PM-20-009

DATE February 06, 2020

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

FROM: Richard H. Flournoy, Deputy Administrator /s/ Richard H. Flournoy 2/6/2020

SUBJECT: Hemp Actual Production History (APH) Insurance Program

Background

On December 19, 2019, the Federal Crop Insurance Corporation Board of Directors approved the Hemp APH Insurance Program, a privately developed product submitted under section 508(h) of the Federal Crop Insurance Act. It is available for the 2020 crop year for producers in certain counties in Alabama, California, Colorado, Illinois, Indiana, Kansas, Kentucky, Maine, Michigan, Minnesota, Montana, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Tennessee, Virginia, and Wisconsin.

To be eligible for coverage, among other requirements, a hemp producer must comply with applicable state, tribal or federal regulations for hemp production, have at least one year of history producing the crop, and have a processor contract with a processor for the sale of the insured hemp. Hemp producers also must be a part of a Section 7606 state or university research pilot, as authorized by the 2014 Farm Bill, or be licensed under a state, tribal or federal program approved under the USDA Agricultural Marketing Service interim final rule issued in October 2019.

The Hemp Crop Provisions state that hemp having tetrahydrocannabinol, known as THC, above the federal statutory compliance level will not constitute an insurable cause of loss. Additionally, hemp will not qualify for replant payments or prevented planting payments under the policy.

Action

The following Hemp APH Insurance Program materials will be available by close of business today and may be accessed on the RMA Web site: www.rma.usda.gov.

- Hemp Crop Provisions (20-1218)
- Hemp Crop Insurance Standards Handbook (FCIC-20600U)

For the initial crop year of 2020, the sales closing date for the Hemp APH Insurance Program is March 15, 2020, for all counties where the program is available. Since March 15, 2020, is a Sunday, producers have until March 16, 2020, to obtain coverage. Certain counties may have an earlier sales closing date in future crop years.

Interested producers should contact a crop insurance agent for further information. A List of agents can be found on the Risk Management Agency website at www.rma.usda.gov/en/Information-Tools/Agent-Locator-Page.

DISPOSAL DATE:

December 31, 2020