

PRODUCT MANAGEMENT BULLETIN: PM–20-086

DATE November 30, 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
11/30/2020

SUBJECT: Area Risk Protection Insurance Basic Provisions, Common Crop Insurance Policy Basic Provisions, Sunflower Seed Crop Provisions, and Dry Pea Crop Provisions Changes Effective for the 2021 and Succeeding Crop Years

Background

The Federal Crop Insurance Corporation (FCIC) revised the Area Risk Protection Insurance (ARPI) Basic Provisions, Common Crop Insurance Policy (CCIP) Basic Provisions, Sunflower Seed Crop Provisions, and Dry Pea Crop Provisions for the 2021 and succeeding crop years for crops with a contract change date on or after November 30, 2020, and for all other crops, the changes are applicable for the 2022 and succeeding crop years. The changes include:

ARPI Basic Provisions:

- Clarifying it is the policyholder's sole responsibility to initiate arbitration in a dispute.

CCIP Basic Provisions:

- Expanding nationwide the prevented planting "1 in 4" requirement that acreage must have been planted, insured, and harvested (or if not harvested, adjusted for claim purposes due to an insurable cause of loss) in at least 1 out of the previous 4 crop years.
- Adding other flexibilities to prevented planting coverage following the recommendations of the Administrator's 2019 Prevented Planting Task Force.
- Allowing a beginning or veteran farmer or rancher to receive a yield based on the actual production history of the previous producer of the crop or livestock on the acreage, if they qualify.
- Clarifying it is the policyholder's sole responsibility to initiate arbitration in a dispute.

Sunflower Seed Crop Provisions:

- Revising the cancellation and termination dates in 4 Texas counties from March 15 to January 31.

Dry Pea Crop Provisions:

- Made non-substantive editorial revisions.

A Final Rule with these changes was published November 30, 2020, in the Federal Register. FCIC invites you to submit comments on this rule through the close of business January 29, 2021, at [regulations.gov](https://www.regulations.gov).

Action

The following documents will be available by close of business today on the RMA website at www.rma.usda.gov:

- Area Risk Protection Insurance Regulations (21.1-ARPI)
- Common Crop Insurance Policy Basic Provisions (21.1-BR)
- Dry Pea Crop Provisions (21.1-0067)
- Sunflower Seed Crop Provisions (21-0078)
- Prevented Planting Standards Handbook (25370-1H)
- Prevented Planting Program Changes FAQ

Approved insurance providers must notify policyholders of these changes at least 30 days prior to the cancellation date, as required by the policy.

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

DISPOSAL DATE:

December 31, 2021