

PRODUCT MANAGEMENT BULLETIN: PM-22-073

DATE November 29, 2022

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

FROM: Richard H. Flournoy, Deputy Administrator /s/ John W. Underwood for Deputy
Administrator 11/29/2022

SUBJECT: Burley, Dark Air, Fire Cured, and Maryland Type Tobacco Changes Effective for the
2023 and Succeeding Crop Years

Background

The Risk Management Agency (RMA) released provisions implementing contract-based features for the flue-cured tobacco program beginning with the 2021 crop year. These provisions were developed as part of a collaborative process with flue-cured tobacco stakeholders and have been positively received by flue-cured tobacco producers.

Based on feedback from producers and other stakeholders of other types of tobacco, RMA is expanding these contract provisions to the burley, dark air, fire cured, and Maryland tobacco types. These changes will help improve the integrity of the program for the additional tobacco types and make it more sustainable going forward.

The following changes are applicable to the burley, dark air, fire cured, and Maryland types of tobacco for the 2023 and succeeding crop years:

- RMA will issue separate price elections for contracted and non-contracted tobacco, reflecting the additional expected value of tobacco grown under contract.
- Quality adjustment will only be available for the amount of tobacco grown under contract.

Action

The actuarial documents for the burley, dark air, fire cured, and Maryland types of tobacco for the 2023 crop year will be available by close of business today on the RMA website at www.rma.usda.gov.

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.

DISPOSAL DATE:

December 31, 2023