

## **PM-19-037**

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Date

June 28, 2019

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 6/28/2019

Subject

2018 Farm Bill - Catastrophic Risk Protection Endorsement, Area Risk Protection Insurance Basic Provisions, and Common Crop Insurance Policy Basic Provisions

## **Background**

The Federal Crop Insurance Corporation (FCIC) has revised the Catastrophic Risk Protection Endorsement, the Area Risk Protection Insurance Regulations, and the Common Crop Insurance Regulations, Basic Provisions to incorporate changes made in the Agriculture Improvement Act of 2018 ("2018 Farm Bill"). A Final Rule published in the Federal Register on June 28, 2019.

This rule revises the provisions regarding the:

- Catastrophic administrative fee, previously issued under Manager's Bulletin MGR-19-006;
- Actual production history (APH) yield cups;
- Crop production on native sod; and
- Definition of veteran farmer or rancher, previously issued under Manager's Bulletin, MGR-19-010.

In addition to the 2018 Farm Bill required changes, FCIC is changing provisions for premium offsets, electronic delivery of policy changes, and assigned yields.

The changes made in this rule are applicable for the 2020 crop year for crops with a contract change date on or after June 30, 2019. For all other crops with a contract change date prior to June 30, 2019, the changes made in this rule are applicable for the 2021 and succeeding crop years.

## **Action**

The following policies will be available by close of business today on the RMA website at [www.rma.usda.gov](http://www.rma.usda.gov):

- Area Risk Protection Insurance Basic Provisions (20-ARPI)
- Common Crop Insurance Policy Basic Provisions (20-BR)
- Catastrophic Risk Protection Endorsement (20-CAT)

Insurance providers must notify policyholders of these changes at least 30 days prior to the cancellation date as required by the contract change section of the policy.

### **DISPOSAL DATE:**

December 31, 2019