MGR-20-015

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Date

May 28, 2020

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Martin R. Barbre, Administrator

Subject

COVID-19 FSA Acreage Reporting Date

Background

The Farm Service Agency (FSA) released Notice CP-757 to its State and County Offices, which waives late file fees for an acreage report (FSA-578) when filed within 30 days of the acreage reporting date (ARD).

Although the crop insurance program does not require an FSA-578 to report acreage for crop insurance purposes, industry stakeholders have requested clarification from the Risk Management Agency (RMA) regarding implications of FSA Notice CP-757 to the crop insurance program.

In response to many stay-at-home orders due to COVID-19, RMA issued acreage reporting relief in its Manager's Bulletin MGR-20-009. Existing procedure within the FCIC 18090 General Standards Handbook (GSH) authorizes AIPs to correct certain errors in information reported on the acreage report, or other forms an insured must submit by the ARD, to ensure information is correct and consistent with any USDA program.

The Risk Management Agency (RMA) recognizes the challenges the crop insurance industry and America's farmers and ranchers face and will provide flexibility that supports the health and safety of all parties while also ensuring the Federal crop insurance program continues to serve as a vital risk management tool.

Action

For the 2020 crop year, ARDs that occur on or after May 15, 2020, RMA is extending the correction time period for an acreage report, or other forms due by the ARD, for an additional 30 days. Likewise, for the 2021 crop year ARDs before August 1, 2020, RMA is extending the correction time period for an acreage report, or other forms due by the ARD, for an additional 30 days. However, RMA is not extending the date by which an insured must provide an initial acreage report.

- RMA is extending the USDA Reconciliation procedures contained in GSH Paragraph 504 an additional 30 days. If the AIP determines that an error exists or the producer identifies an error on the acreage report, or other forms due by the ARD, the AIP may correct the error up to 60 days following the ARD in the current crop year, provided the correction does not obtain, enhance or increase the insurance guarantee or indemnity if there is an existing cause of loss for the crop.
- AIPs must continue to document changes that substantiate the correction.
- Procedures contained in GSH Paragraph 503 continue to apply.
- Procedures contained in GSH Paragraph 505 continues to apply which allows AIPs to make conforming correction up to 30 days following the date that FSA corrects its information.

DISPOSAL DATE:

December 31, 2020