

### PM-17-021

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Date

April 19, 2017

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 4/19/2017 Subject

Annual Forage Plan of Insurance - Modifications Effective for 2018 and Succeeding Crop Years and Rainfall Index and Vegetation Index Pasture, Rangeland, Forage Basic Provisions Changes

## **Background**

The Risk Management Agency (RMA) has revised the Rainfall Index and Vegetation Index Pasture, Rangeland, Forage Basic Provisions, via a Farm Bill Amendment, to incorporate changes made in the 2014 Farm Bill Final Rule that was published in the Federal Register on June 30, 2016. In addition, the following modifications to the Annual Forage (AF) Plan of Insurance are effective beginning with the 2018 crop year:

- Revision of the acreage reporting dates;
- Modification of growing season based on the new acreage reporting dates;
- Removal of the December 15 sales closing date;
- Modification of the planted acreage definition;
- Addition of a Special Provision statement limiting the productivity factor in Colorado and New Mexico;
- Clarification that forage cannot be planted into an established grass or legume;

- Reduction of the Percent of Value in Colorado from 45 to 40 percent;
- Addition a new Special Provision statement on new breaking acreage ground to all states; and
- Removal of the capping process for AF.

# **Action**

The following materials will be available, by close of business today, on the <u>RMA</u> Web site..

- Rainfall and Vegetation Index Basic Provisions Farm Bill Amendment (18-RIVIFarm Bill)
- Annual Forage Crop Provisions (18-RI-AF)

Approved Insurance providers (AIPs) must notify policyholders of these changes and provide them the new Basic and Crop provisions at least 30 days prior to the cancellation date as required by the Section 4. Contract Changes section in the Basic Provisions. In addition, AIPs will needed to notify carryover policyholders that they need to update their applications by the Sales Closing Date of July 15, 2017, with the new required information to be insured for the 2018 crop year.

#### **DISPOSAL DATE**

December 31, 2017