

## **PM-19-025**

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Date

April 29, 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 4/29/2019

Subject

Rainfall Index Annual Forage Plan of Insurance - Modifications Effective for 2020 and Succeeding Crop Years

## **Background**

The Federal Crop Insurance Corporation's (FCIC) Board of Directors (Board) approved revisions to the Annual Forage Plan of Insurance on April 23, 2019. The following modifications to the Rainfall Index Annual Forage (AF) Plan of Insurance are effective beginning with the 2020 crop year:

- Added a dual use option in the actuarial documents to allow producers the option to purchase both an Annual Forage and a Small Grains Policy on a crop that is both grazed and harvested for grain. This option will be available for Growing Season One in counties where the special provisions allow.
  - The dual use option will have a separate county base value.
- Revised the pricing methodology to better reflect differences in annual forage values at the county level and reduce large differences across state lines.
- Removed the productivity factor limitation in Colorado and New Mexico.
- Revised to allow catastrophic risk protection with the intended use of grazing.

- Updated the Conservation Compliance language consistent with USDA regulations.
- Added Veteran Farmer and Rancher and Native Sod provisions contained in the Agriculture Improvement Act of 2018.

## Action

The following materials will be available, by close of business today, on the Risk Management Agency website at [www.rma.usda.gov/policy-procedure/general-policies/rainfall-index](http://www.rma.usda.gov/policy-procedure/general-policies/rainfall-index):

- Annual Forage Crop Provisions (20-RI-AF)

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/](http://www.rma.usda.gov/).

### **DISPOSAL DATE:**

December 31, 2020