

## **PM-21-071**

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Date

November 30, 2021

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

Subject

Area Risk Protection Insurance Regulations, Common Crop Insurance Policy Basic Provisions, Subpart R, Sunflower Seed, Coarse Grains, and Dry Beans Changes Effective for the 2022 and Succeeding Crop Years

## **Background**

The Federal Crop Insurance Corporation (FCIC) amended the General and Administrative Regulation Subpart R - Administrative Remedies for Non-Compliance, (Subpart R); Area Risk Protection Insurance (ARPI) Regulations; Common Crop Insurance Policy (CCIP), Basic Provisions; Common Crop Insurance Regulations, Sunflower Seed Crop Insurance Provisions (Sunflower Seed Crop Provisions); Common Crop Insurance Regulations, Coarse Grain Crop Insurance Provisions (Coarse Grains Crop Provisions); and Common Crop Insurance Regulations, Dry Bean Crop Insurance Provisions (Dry Bean Crop Provisions) with the following changes:

Subpart R

- Revise the cap on civil fines, monetary penalties for those who willfully and intentionally provide false or inaccurate crop insurance information, to refer to the USDA departmental regulation which is routinely adjusted for inflation.

## CCIP and ARPI Basic Provisions

- Revise the definitions of “buffer zone,” “certified organic acreage,” “cover crop,” “organic farming practice,” “second crop,” and “transitional acreage.”
- Add the definitions of “NAP” (the Noninsured Crop Disaster Assistance Program(NAP), offered by the Farm Service Agency), and “volunteer crop.”

## CCIP Basic Provisions

- Provide an option to delay measurement of farm-stored production for 180-daysthrough the Special Provisions.
- Allow a cover crop to be hayed, grazed, or cut for silage, haylage, or baleage without a reduction in a prevented planting payment. A payment reduction will apply if the cover crop is harvested at any time for grain or seed.
- Remove prevented planting payment reduction on acreage that was prevented from planting and later cash rented.
- Add new flexibilities for the “1 in 4” rule for prevented planting including:
  - Consider the annual regrowth of perennial crops to be considered planted.
  - Allowing NAP to also meet the insurance requirement, as well as flexibility for situations where neither crop insurance nor NAP are available.

## Sunflower Seed

- Allow enterprise and optional units by type for sunflower seed.
- Update examples in the policy to reflect current market prices for a more accurate portrayal of the prices that producers are experiencing.

## Coarse Grains

- Revise the definition of “harvest” to include earlage and snaplage as a harvested crop.
- Clarify that notice is required before harvest begins if a producer decides to harvest in a manner other than reported on their acreage report (such as harvesting grain as silage or vice versa) so the adjuster can appraise the acreage to determine production to count used for claim purposes.

## Dry Bean

- Clarifying that a separate enterprise unit for contract seed beans is allowed where contract seed beans are listed as a type in the actuarial documents for

the county.

- Removing language that restricts seed bean contracts based on both acreage and production from being eligible for a separate enterprise or optional unit.

A Final Rule with these changes published in the Federal Register on November 30, 2021. FCIC invites you to submit comments on this rule through the close of business on January 31, 2022, at [regulations.gov](https://www.regulations.gov).

## Action

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

- Area Risk Protection Insurance Regulations (22.1-ARPI)
- Common Crop Insurance Policy Basic Provisions (22.1-BR)
- Sunflower Seed Crop Provisions (22-0078)
- Coarse Grains Crop Provisions (22-0041)
- Dry Bean Crop Provisions (22-0047)
- Coarse Grains Fact Sheet
- Prevented Planting Coverage Frequently Asked Questions
- Prevented Planting Standards Handbook (FCIC-25370)

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/tools-reports/agent-locator](https://www.rma.usda.gov/tools-reports/agent-locator).

### **DISPOSAL DATE:**

December 31, 2022