

## **PM-19-015**

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Date

March 1, 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 3/1/2019

Subject

2019 Crop Year (CY) Common Crop Insurance Policy and Area Risk Protection Insurance Projected Prices and Volatility Factors; Malting Barley Endorsement Projected Price Component and Volatility Factor; and Hybrid Seed Price Endorsement - Hybrid Seed Corn Prices

### **Common Crop Insurance Policy & Area Risk Protection Insurance <sup>1</sup>**

The 2019 CY **projected prices** shown below are approved for the following plans of insurance: Yield Protection, Area Yield Protection, Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area Revenue Protection with the Harvest Price Exclusion. The 2019 CY **volatility factors** shown below are approved for the following plans of insurance: Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area Revenue Protection with the Harvest Price Exclusion. The projected prices and volatility factors apply to policies with a **March 15 sales closing date, unless otherwise indicated**, and are applicable for the crops, practices, types, and states indicated below:

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<b>Crop/Type/Practice/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
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<b>Barley</b> <i>Kansas (Spring type)</i>	CBOT	July Corn	\$3.10/bushel	0.09
<b>Barley - Organic Practice</b> <i>Kansas (Spring type)</i>	CBOT	July Corn	\$6.61/bushel	0.09
<b>Barley</b> <i>Iowa, Nebraska, New York (Spring type) &amp; Pennsylvania (Spring type)</i>	CBOT	September Corn	\$3.13/bushel	0.12
<b>Barley - Organic Practice</b> <i>Iowa, Nebraska, New York (Spring type) &amp; Pennsylvania (Spring type)</i>	CBOT	September Corn	\$6.68/bushel	0.12
<b>Barley</b> <i>California (Spring types), Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin &amp; Wyoming</i>	CBOT	September Corn	\$3.13/bushel	0.14

<b>Barley - Organic Practice</b> <i>California (Spring types),  Colorado (Spring types),  Idaho (Spring types),  Maine, Michigan,  Minnesota, Montana,  Nevada, North Dakota,  Oregon (Spring types),  South Dakota, Utah,  Vermont, Washington  (Spring types), Wisconsin &amp;  Wyoming</i>	CBOT	September Corn	\$6.68/bushel	0.14
<b>Barley</b> <i>Alaska</i>	CBOT	December Corn	\$5.75/bushel	0.14
<b>Barley - Organic Practice</b> <i>Alaska</i>	CBOT	December Corn	\$12.29/bushel	0.14
<b>Barley  (March 15 Sales Closing  Date, Winter Types  without Winter  Coverage Endorsement)</b> <i>California, Idaho, Oregon &amp;  Washington  (previously released  9/19/2018)</i>	CBOT	September Corn	\$3.10/bushel	0.17

<b>Barley - Organic Practice</b> <b>(March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement)</b> <i>California, Idaho, Oregon &amp; Washington</i> <i>(previously released 9/19/2018)</i>	CBOT	September Corn	\$6.63/bushel	0.17
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Kansas</i>	CBOT	July Corn	\$3.10/bushel	0.09
<b>Barley - Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Kansas</i>	CBOT	July Corn	\$6.61/bushel	0.09
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>New York &amp; Pennsylvania</i>	CBOT	September Corn	\$3.13/bushel	0.12

<b>Barley - Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>New York &amp; Pennsylvania</i>	CBOT	September Corn	\$6.68/bushel	0.12
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>California, Colorado, Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$3.13/bushel	0.14
<b>Barley - Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>California, Colorado, Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$6.68/bushel	0.14
<b>Barley</b> <b>(October 31 Sales Closing Date, Spring Types)</b> <i>Nevada &amp; Utah</i>	CBOT	September Corn	\$3.13/bushel	0.14

<b>Barley - Organic Practice (October 31 Sales Closing Date, Spring Types)</b> <i>Nevada &amp; Utah</i>	CBOT	September Corn	\$6.68/bushel	0.14
<b>Canola</b> <i>All States</i>	ICE	November Canola	\$0.171/pound	0.06
<b>Canola - Rapeseed Type</b> <i>All States</i>	ICE	November Canola	\$0.245/pound	0.00
<b>Canola (August 31 Sales Closing Date, Spring Type(s))</b> <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.171/pound	0.06
<b>Canola - Rapeseed Type (August 31 Sales Closing Date, Spring Type(s))</b> <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.245/pound	0.00
<b>Corn</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$4.00/bushel	0.14
<b>Corn - Organic Practice</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$9.22/bushel	0.14

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**Corn**

CBOT

December Corn

\$4.00/bushel

0.15

*Colorado, Connecticut,  
Delaware, Illinois, Indiana,  
Iowa, Kansas, Kentucky,  
Maine, Maryland,  
Massachusetts, Minnesota,  
Missouri, Montana,  
Nebraska, New Hampshire,  
New Jersey, New Mexico,  
New York, North Dakota,  
Ohio, Pennsylvania, Rhode  
Island, South Dakota,  
Tennessee, Utah, Vermont,  
Virginia, West Virginia,  
Wisconsin & Wyoming*

<b>Corn - Organic Practice</b> <i>Colorado, Connecticut,  Delaware, Illinois, Indiana,  Iowa, Kansas, Kentucky,  Maine, Maryland,  Massachusetts, Minnesota,  Missouri, Montana,  Nebraska, New Hampshire,  New Jersey, New Mexico,  New York, North Dakota,  Ohio, Pennsylvania, Rhode  Island, South Dakota,  Tennessee, Utah, Vermont,  Virginia, West Virginia,  Wisconsin &amp; Wyoming</i>	CBOT	December Corn	\$9.22/bushel	0.15
<b>Corn</b> <i>Idaho, Michigan, Oregon &amp;  Washington</i>	CBOT	December Corn	\$4.00/bushel	0.16
<b>Corn - Organic Practice</b> <i>Idaho, Michigan, Oregon &amp;  Washington</i>	CBOT	December Corn	\$9.22/bushel	0.16
<b>Corn - High Amylose  Type</b> <i>Illinois, Indiana, Iowa,  Kansas, Missouri, Nebraska  &amp; South Dakota</i>	CBOT	December Corn	\$5.60/bushel	0.15



<b>Cotton</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$0.73/pound	0.13
<b>Cotton - Organic Practice</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$1.15/pound	0.13
<b>Cotton</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$0.73/pound	0.14
<b>Cotton - Organic Practice</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$1.15/pound	0.14
<b>Grain Sorghum</b> <i>Texas</i>	CBOT	December Corn	\$3.94/bushel	0.14
<b>Grain Sorghum - Organic Practice</b> <i>Texas</i>	CBOT	December Corn	\$8.34/bushel	0.14
<b>Grain Sorghum</b> <i>All States, <b>except</b> Texas</i>	CBOT	December Corn	\$3.94/bushel	0.15
<b>Grain Sorghum - Organic Practice</b> <i>All States, <b>except</b> Texas</i>	CBOT	December Corn	\$8.34/bushel	0.15

<b>Peanuts - Runner Type</b> <i>New Mexico, Oklahoma,  Texas &amp; Virginia</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.1915/pound	0.11
<b>Peanuts - Spanish Type</b> <i>New Mexico, Oklahoma &amp;  Texas</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2509/pound	0.11
<b>Peanuts - Valencia Type</b> <i>New Mexico, Oklahoma &amp;  Texas</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2049/pound	0.11
<b>Peanuts - Virginia Type</b> <i>New Mexico, Oklahoma,  Texas &amp; Virginia</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2049/pound	0.11
<b>Popcorn</b> <i>Alabama</i> <i>(previously released:  2/15/2019)</i>	CBOT	September Corn	\$0.1707/pound	0.14
<b>Popcorn - Organic Practice</b> <i>Alabama</i> <i>(previously released:  2/15/2019)</i>	CBOT	September Corn	\$0.2457/pound	0.14

<b>Popcorn</b> <i>All States, <b>except</b> Alabama &amp; Michigan</i>	CBOT	December Corn	\$0.1720/pound	0.15
<b>Popcorn - Organic Practice</b> <i>All States, <b>except</b> Alabama &amp; Michigan</i>	CBOT	December Corn	\$0.2476/pound	0.15
<b>Popcorn</b> <i>Michigan</i>	CBOT	December Corn	\$0.1720/pound	0.16
<b>Popcorn - Organic Practice</b> <i>Michigan</i>	CBOT	December Corn	\$0.2476/pound	0.16
<b>Soybeans</b> <i>Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington &amp; Wisconsin</i>	CBOT	November Soybeans	\$9.54/bushel	0.12

<b>Soybeans - Organic Practice</b> <i>Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington &amp; Wisconsin</i>	CBOT	November Soybeans	\$19.05/bushel	0.12
<b>Soybeans</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2020) Soybeans	\$9.63/bushel	0.12
<b>Soybeans - Organic Practice</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2020)Soybeans	\$19.23/bushel	0.12
<b>Sunflowers - Oil Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.167/pound	0.11
<b>Sunflowers - Oil Type; Organic Practice</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.299/pound	0.11

<b>Sunflowers - Confectionary Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.225/pound	0.11
<b>Wheat - All Types Except Durum</b> <i>Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$5.77/bushel	0.14
<b>Wheat - All Types Except Durum; Organic Practice</b> <i>Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$12.95/bushel	0.14
<b>Wheat - Durum Type</b> <i>Montana, North Dakota &amp; South Dakota</i>	MGE	September HRS Wheat	\$5.98/bushel	0.14

<b>Wheat - Durum Type; Organic Practice</b> <i>Montana, North Dakota &amp; South Dakota</i>	MGE	September HRS Wheat	\$13.43/bushel	0.14
<b>Wheat (September 30 Sales Closing Date, Spring Type)</b> <i>California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$5.77/bushel	0.14
<b>Wheat - Organic Practice (September 30 Sales Closing Date, Spring Type)</b> <i>California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$12.95/bushel	0.14

**<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO) and Stacked Income Protection (STAX - cotton only).**

## Malting Barley Endorsement

The Malting Barley Endorsement (MBE) utilizes a Chicago Board of Trade (CBOT) soft red wheat price component to derive the projected price for any insured whose malt barley contract provides for a premium amount above or below a base price to be determined, and the base price is not determined by the acreage reporting date.

<b>Malting Barley Type</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
Spring Planted Type	CBOT	September SRW Wheat	\$5.16/bushel	0.15

## Hybrid Seed Price Endorsement

The following 2019 CY hybrid seed corn prices have been approved for the Hybrid Seed Price Endorsement: \$4.00 per bushel for the non-organic practice; and \$9.22 per bushel for the certified organic practice.

These amounts reflect the higher values of either: 1) the previously-released 2019 crop year MPCl hybrid seed corn price elections [non-organic practice: \$3.99 per bushel; certified organic practice: \$9.06 per bushel]; or 2) the futures-based prices derived from the average daily settlement price in February for the 2019 December CBOT corn contract [non-organic practice: \$4.00 per bushel], multiplied by an organic corn price factor [certified organic practice: \$9.22 per bushel].

## DISPOSAL DATE

December 31, 2019