

MGR-20-020

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Date

July 9, 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 Risk Management Agency (RMA) issued bulletin MGR-20-015 on May 28, 2020, to authorize additional crop insurance relief following Farm Service Agency (FSA) Notice CP-757, which waived late filing fees for a FSA 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, MGR-20-015 extended the correction time period for an acreage report, or other forms due by the acreage reporting date, an additional 30 days. If the AIP or producer determines that an error exists 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.

Additional consideration is being given for relief of appraisal requirements to determine whether a cause of loss has been incurred that would limit any increased

liability associated with the reconciliation. The Common Crop Insurance Policy Basic Provisions state that planted acreage cannot be revised after the acreage reporting date without the AIP's consent. Consent can only be provided when no cause of loss has occurred or an appraisal has determined that the insured crop will produce at least 90 percent of the yield used to determine its guarantee or the amount of insurance for the unit.

Action

AIPs may consent to revise an acreage report after the acreage reporting date when no cause of loss has occurred or the acreage of the crop being added will produce at least 90 percent of the yield used to determine its guarantee or the amount of insurance, based upon an appraisal of only the added acreage. At the AIP's discretion, modifications for acreage within a field that is the lessor of 10 acres or 10 percent of the total acreage in the field do not require an appraisal. AIPs may also use their discretion as to whether modifications to existing reported acreage, such as a crop type, practice, share, etc., warrants an appraisal, including modified acreage that increases the liability. This authority is only authorized for reconciliation to the FSA-578 due to the extenuating circumstances regarding COVID-19 and in accordance with MGR-20-015.

DISPOSAL DATE:

December 31, 2020