

PM-24-055 Rainfall Index - Pasture, Rangeland, Forage Hawaii and Rainfall Index Basic Provisions Changes Effective for the 2025 and Succeeding Crop Years

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Date

August 29, 2024

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All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ Richard H. Flournoy 8/29/2024 Subject

Rainfall Index – Pasture, Rangeland, Forage Hawaii and Rainfall Index Basic Provisions Changes Effective for the 2025 and Succeeding Crop Years

BACKGROUND:

On February 22, 2024, the Federal Crop Insurance Corporation (FCIC) Board of Directors approved the Pasture, Rangeland, Forage (PRF) Hawaii pilot insurance program under section 1523 of the Federal Crop Insurance Act. This Rainfall Index (RI) pilot is like the PRF program that currently exists in the contiguous 48 states; however, there are some distinct differences due to the diverse geography and climate found in the state of Hawaii. Features of the program effective for 2025 and succeeding crop years include:

 Coverage is provided for feed losses due to the lack of normal precipitation on perennial forage that is grazed by livestock.

- The RI utilizes the Hawaii Climate Data Portal to determine the monthly precipitation received in comparison to the historical average.
- The precipitation is determined based on 5-kilometer by 5-kilometer grids.
- Producers may choose what grazing acres they want to insure.
- Coverage levels are available from 70 to 90 percent.
- Producers may select a productivity factor of 60 to 120 percent of the county base value.
- Producers must select at least two and up to six intervals.
- The program will be available on the Big Island of Hawaii.
- The first sales closing date is December 1, 2024, for the 2025 crop year.

The Risk Management Agency (RMA) revised the Rainfall Index Plan Common Policy, Basic Provisions for 2025 and succeeding crop years for the August 31, 2024, contract change date and for the 2026 crop year for insurance plans with a contract change date prior to August 31, 2024. The changes include:

- Clarify actions if duplicate policies are discovered in situations where it was unintentional and consequences when it cannot be determined to be unintentional.
- Modify language to match the Common Crop Insurance Policy (CCIP), Basic Provisions to allow an indemnity to be issued to a single payee if all assignees and the producer agree in writing.

ACTION:

The following materials will be available by close of business today on the RMA website at www.rma.usda.gov/Policy-and-Procedure/Insurance-Plans/Rainfall-Index:

- Rainfall Index Plan Common Policy, Basic Provisions (25-1-RI)
- Pasture, Rangeland, Forage Hawaii Crop Provisions (25-RI-PRF Hawaii)
- Rainfall Index Insurance Standards Handbook (FCIC-18150)

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/Information-Tools/Agent-Locator.

Questions regarding these modifications may be directed to rma.kcviri@usda.gov.

DISPOSAL DATE:

December 31, 2025