

## **PM-15-038 Area Risk Protection Insurance for Forage**

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Date

July 24, 2015

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Tim B. Witt, Deputy Administrator /s/ Tim B. Witt

Subject

Area Risk Protection Insurance (ARPI) for Forage

### **Background**

Section 12305(b)(1)(B) of the Agricultural Act of 2014 (2014 Farm Bill) enacted on February 7, 2014, included the following:

PROHIBITION ON CATASTROPHIC RISK PROTECTION - Section 508(b) of the FCIA is amended by striking paragraph (1) and inserting the following:

(1)(B) EXCEPTION - Coverage described in subparagraph (A) shall not be available for crops and grasses used for grazing.

ARPI-Forage is a permanent program offered under the authority of the Federal Crop Insurance Act and provides protection against widespread loss of yield in a county. ARPI-Forage is currently available in Illinois, Minnesota, Pennsylvania, and Wisconsin.

### **Action**

For the 2016 crop year, the ARPI-Forage policy will only cover hay production. Rotational grazing, or any other grazing practice, has been removed from the ARPI-Forage policy by adding the following Special Provision statement applicable to both CAT and buy-up levels of coverage:

“In lieu of the harvest definition provided in the policy provisions, harvest is the removal of the forage from the field. Crops and grasses intended or used for rotational grazing; or any other grazing practice, are not considered harvested.”

Producers interested in insuring forage for the intended use of grazing can utilize the Pasture, Rangeland, Forage plan of insurance or the Non-insured Crop Disaster Assistance Program. These programs offer coverage for perennial forages with the intended purpose of grazing only.

**DISPOSAL DATE:**

December 31, 2016