



United States
Department of
Agriculture

Farm Production
and Conservation

Risk
Management
Agency

4405 Bland Road
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October 3, 2024

INFORMATIONAL MEMORANDUM

TO: All Approved Insurance Providers Writing in the States of Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Rhode Island, and Virginia

FROM: Alexander Sereno /s/
Director, Raleigh Regional Office

SUBJECT: Regional Underwriting Guidelines for Oysters in the Raleigh Region for 2025 and succeeding crop years

BACKGROUND:

During the COVID-19 pandemic, many oyster growers were not able to market and sell mature oysters due to pandemic related closures in 2020 and/or 2021. This lack of market resulted in lower than projected or no sales for these growers and loss of the crop once it grew beyond marketable size. The market has since recovered, therefore approved yields which include the pandemic years may understate expected production for the current year, negatively impacting insurance coverage.

The 2025 FCIC-24430 Shellfish Pilot Insurance Standards Handbook (ISH) authorizes the Risk Management Agency (RMA) Regional Office (RO) to issue Underwriting Guidelines (UG) for oysters for regional exceptions.

Paragraph 58(3) of the Shellfish Pilot ISH allows issuance of RO UG that excludes actual yields from the calculation of the approved yield for widespread loss events. This is in accordance with Paragraphs 1731 and 1732 of the 2025 Crop Insurance Handbook.

ACTION

Starting with the 2025 crop year, operations negatively impacted by COVID-19 related closures, that resulted in lower yields, may exclude annual yields from the 2020 and/or 2021 crop year(s) from the approved yield calculation. The year(s) may only be excluded if at least four years of yields are remaining in the Actual Production History (APH) database.

The annual yield(s) from the excluded crop year(s) will not be included in any determinations required by Part 4 of the Shellfish Pilot ISH.

For APH databases meeting the above criteria, Yield Descriptor 'FD' should be used to

identify those crop years not included in the calculation of the approved yield.

Please contact the Raleigh Regional Office at RSONC@usda.gov if you have any additional questions.

DISPOSAL DATE

Until Rescinded