



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural  
Services

Risk  
Management  
Agency

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**BULLETIN NO.: MGR-13-007**

**TO:** All Approved Insurance Providers  
All Risk Management Agency Field Offices  
All Other Interested Parties

**FROM:** Brandon C. Willis /s/ *Brandon C. Willis*  
Administrator

7/10/2013

**SUBJECT:** 2014 Crop Year Group Risk Plan for Sugarcane

**BACKGROUND:**

The Group Risk Plan for Sugarcane (GRP-Sugarcane) was approved for sale to producers on September 12, 2007, by the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) under section 508(h) of the Federal Crop Insurance Act. The GRP-Sugarcane plan of insurance is owned and maintained by Crop Insurance Systems, Inc. (CIS).

GRP-Sugarcane provides insurance benefits comparable to other group risk crop insurance programs administered by FCIC. Indemnities are paid when the Payment Yield for the county is less than the producer's percent coverage level times the Expected County Yield. GRP-Sugarcane, like other GRP programs, does not rely on an individual's actual production to determine whether an indemnity is due.

CIS has concluded that currently-available data is inadequate to allow the GRP-Sugarcane program to function as designed and in an actuarially sound manner. Consequently, CIS has requested that GRP-Sugarcane not be offered for the 2014 crop year.

The contract change date for the 2014 crop year is June 30, 2013. The sales closing, cancellation and termination date for the GRP-Sugarcane program is September 30, 2013.

**ACTION:**

Approved Insurance Providers (AIP) must inform producers that GRP-Sugarcane will not be available for the 2014 crop year, and cancel active GRP-Sugarcane insurance contracts. Sugarcane producers have the option to insure their sugarcane production under the Actual Production History (APH) multiple peril plan of insurance.

**DISPOSAL DATE:**

December 31, 2013