



United States
Department of
Agriculture

Risk
Management
Agency

Beacon Facility
Mail Stop 0801
PO Box 419205
Kansas City, MO
64141-6205

August 25, 2009

INFORMATIONAL MEMORANDUM: PM-09-039

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

FROM: Tim B. Witt /s/*Tim B. Witt*
Deputy Administrator

SUBJECT: Notice of Intent to Research Feasibility of Insurance
for Dedicated Energy Crops

BACKGROUND:

The Federal Crop Insurance Act (7 U.S.C. 1522(c)(1)(C)) requires that the Risk Management Agency (RMA) enter into contracts to carry out research and development. The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) requires RMA to offer to carry out research and development regarding a policy to insure dedicated energy crops. Dedicated energy crops are defined by the 2008 Farm Bill as an annual or perennial crop that—(i) is grown expressly for the purpose of producing a feedstock for renewable biofuel, renewable electricity, or biobased products; and (ii) is not typically used for food, feed, or fiber.

The Act (7 U.S.C. 1522(c)(2)(B)) also requires that RMA consult with groups representing producers of agricultural commodities that would be served by the policies that are the subject of research and development efforts. We are expanding that scope to any parties interested in the subject efforts.

ACTION:

RMA will soon issue a contract for the feasibility of developing a crop insurance product for dedicated energy crops. The agency is seeking any preparatory input from interested parties about the level of interest from the industry, availability of private insurance products covering dedicated energy crops, or any other relevant issues that should be considered when carrying out the feasibility and research for any potential program development for dedicated energy crops.



The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

An Equal Opportunity Employer

Please address correspondence concerning dedicated energy crop research by **September 30, 2009** to Janet Chalmers-Naglich, Product Design Branch at Janet.Chalmers.Naglich@rma.usda.gov or mail to:

USDA/RMA/APDD
Beacon Facility, Stop 0813
PO Box 419205
Kansas City, MO 64141-6205

DISPOSAL DATE:

This Informational Memorandum is for the purpose of transmitting information and expires on September 30, 2009.

The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

An Equal Opportunity Employer