



**United States
Department of
Agriculture**

July 15, 2014

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility
Mail Stop 0801
P.O. Box 419205
Kansas City,
MO 64141-6205

INFORMATIONAL MEMORANDUM: PM-14-027

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: Agricultural Act of 2014 – Native Sod

BACKGROUND:

Section 11014 of the Agricultural Act of 2014 (2014 Farm Bill), enacted on February 7, 2014, required producers' benefits to be reduced during the first four crop years of planting on land that is converted from native sod to the production of an annual crop in the States of Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota. The producers' benefits affected are a reduction of premium subsidy, a reduced insurance guarantee, and the elimination of yield substitution in the insurance guarantee.

ACTION:

The attached procedures provide the instructions for implementation of native sod provisions of the 2014 Farm Bill. These procedures are in effect for annual crops, identified in the attachment, with a contract change date on or after June 30, 2014.

DISPOSAL DATE:

Until incorporated into the applicable procedures.

Attachment