Federal Crop Insurance Corporation

1400 Independence Avenue, S.W. Stop 0801 Washington, DC 20250-0801 November 20, 2020

**TO:** Board of Directors

Federal Crop Insurance Corporation

**FROM:** Martin Barbre /signed/

Manager

**SUBJECT:** Manager's Report

Exhibit No. 4645

This is the Manager's Report to the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) meeting on November 20, 2020.

## **Program Update**

Emergency Loss Procedures for Crops Flooded Above the Edible Portion as a result of Hurricane Hanna (Manager's Bulletin MGR-20-028) RMA authorized the use of emergency procedures for all crops in Texas counties impacted by Hurricane Hanna. Application of these emergency procedures is limited to those situations where the catastrophic nature of the losses due to flooding will result in unnecessary delays in processing claims if these emergency procedures are not authorized.

## Research, Contracts, Studies, and Workgroups

Pasture Rangeland and Forage: RMA contracted for an independent evaluation of the Pasture, Rangeland, Forage (PRF) Rainfall Index Crop Insurance Program. The primary purpose of this contract was to conduct a comprehensive review of the methodology and calculations along with the County Base Values to determine if this was an effective Risk Management tool for livestock producers. RMA is requesting comments from the industry on the recommendations made by the contractor and some alternative recommendations to improve the PRF program. Currently, RMA has received comments from almost 200 individuals or organizations and continue to receive comments on a daily basis. RMA recently extended the comment period to December 21, 2020, to allow the industry additional time to review the recommendations.

**Apple Workgroup:** RMA continues to work with the apple industry to evaluate potential changes to the apple program.

**Greenhouse**: In accordance with the 2018 Farm Bill, RMA contracted with Watts and Associates to conduct research and development for a risk management product or potential new tools for nursery greenhouse producers. The contractor delivered the draft research report to RMA in September and

provided a supplement to the draft research report in October 2020. RMA is reviewing the draft report. A response to congress is due in December 2020.

Guar: On March 19, 2020, a request for contractor proposals was issued to gather data, perform analysis, and develop a marketable and viable crop insurance program for guar producers. The focus of the effort will be the top guar producing states. On May 14, 2020, RMA awarded the contract to Agralytica. The contractor conducted two virtual listening sessions with growers and other stakeholders in August. In September, the contractor conducted two in-person listening sessions in Brownfield and Vernon, Texas. The first deliverable report is due in November 2020.

**Local Foods:** The 2018 Farm Bill mandated that RMA research the feasibility of insuring local food and/or the products of local foods. In June 2020, RMA entered a contract with Agralytica to conduct the feasibility study in coordination with RMA. The results of this study will assist RMA in determining if changes are needed to existing risk management products and/or potential new risk management products, which might be used to improve protection to meet the needs of local food producers. On October 15, 2020, RMA received the draft report from the contractor. RMA is reviewing the draft report. A response to congress is due in December 2020.

## **Personnel Announcements**

None