

PRODUCT MANAGEMENT BULLETIN: PM-22-001

DATE January 05, 2022

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

FROM: Richard H. Flournoy, Deputy Administrator /s/ Richard H. Flournoy 1/5/2022

SUBJECT: New Post-Application Coverage Endorsement (PACE) Effective for the 2022 and Succeeding Crop Years

Background

On August 25, 2021, the Federal Crop Insurance Corporation (FCIC) Board of Directors approved the implementation of PACE, under section 508(h) of the Federal Crop Insurance Act. PACE will be available beginning with the 2022 crop year for selected counties in Illinois, Indiana, Iowa, Kansas, Minnesota, Michigan, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin for non-irrigated corn with a sales closing date of March 15, 2022, or later.

PACE provides coverage for producers who “split-apply” nitrogen. To “split-apply” nitrogen, the producer makes multiple fertilizer applications during the growing season rather than providing all of the crop’s nitrogen requirements with a single treatment before or during planting. This climate-smart practice allows for less total nitrogen to be applied, decreased nitrogen run-off and leaching, and can help reduce the producer’s overall nitrogen application costs. PACE will provide payments for the projected yield lost when producers are unable to apply the post-application of nitrogen during the V3-V10 corn growth stages due to field conditions created by weather.

Action

The following documents will be available by close of business today on the RMA website at www.rma.usda.gov:

- Post-Application Coverage Endorsement (22-20660)
- Post-Application Coverage Endorsement Insurance Standards Handbook (FCIC-20660U)
- Post-Application Coverage Endorsement Loss Adjustment Standards Handbook (FCIC-20660L)
- Post-Application Coverage Endorsement Fact Sheet
- Post-Application Coverage Endorsement Frequently Asked Questions (FAQ)

Interested producers should contact a crop insurance agent for further information. A list of agents can be found on the RMA website at www.rma.usda.gov/Information-Tools/Agent-Locator-Page.

DISPOSAL DATE:

December 31, 2022