



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Service

Risk
Management
Agency

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BULLETIN NO.: MGR-12-008

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

FROM: William J. Murphy /s/ *William J. Murphy* 8/8/2012
Administrator

SUBJECT: Premium Billing Date for Sugar Beets - Imperial County, California

BACKGROUND:

The Food, Conservation, and Energy Act of 2008 (2008 Farm Bill) mandated premium billing dates (PBD) after August 15 be moved to August 15 beginning with the 2012 Reinsurance Year.

In the process of modifying many PBDs as a result of this mandate, we inadvertently changed the PBD for Sugar Beets in Imperial County, California from July 1 to August 15. This inadvertent change does not allow sufficient time for Approved Insurance Providers (AIPs) to provide proper premium billing and due process for policyholders' payments of premium prior to cancellation, which is August 31.

ACTION:

For the 2012 and 2013 crop years, AIPs are permitted to allow policyholders to submit their payment of premium until September 15 without penalty. If policyholders submit their payment of premium after September 15, policyholders will become ineligible and their policy will be terminated as of the August 31 cancellation/termination date.

We will restore the premium billing date for Sugar Beets in Imperial County, California to July 1 for the 2014 crop year.

According to section 13A of the Ineligible Tracking System Handbook, AIPs must "provide notification of debt to the person prior to the termination date for the indebted crop, sufficient to allow the person at least 30 days to challenge the debt before the termination date." Therefore, AIPs must submit the pre-termination letter and the premium bill to the policyholder at the same time.

DISPOSAL DATE:

December 31, 2012



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

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