

PRODUCT MANAGEMENT BULLETIN: PM-20-024

DATE April 14, 2020

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

FROM: Richard H. Flournoy, Deputy Administrator /s/ Richard Flournoy 4/14/2020

SUBJECT: Publication of Whole-Farm Revenue Protection Interpretations of Procedure

Background

The policy provisions of the Whole-Farm Revenue Protection (WFRP) program allow producers and approved insurance providers to request an interpretation of policy or procedure. The provisions relating to requesting an Interpretation of Procedure (IoP) are set forth in section 33(a)(1) of the WFRP policy, which require IoPs to be made in accordance with 7 C.F.R. § 400, subpart X ("subpart X").

As stated in subpart X, requests for interpretation of policies that are published in the Federal Register are considered binding on all participants in the crop insurance program, while requests for interpretation of other policies or procedures are considered binding only on the parties to the dispute. As WFRP is a pilot program that is not published in the Federal Register, IoPs issued for WFRP fall in the latter category.

Because IoPs are binding only on the parties to the dispute, the Risk Management Agency (RMA) has received multiple requests for an IoP of identical or near-identical issues involving common policy or procedure language. In some cases, the same parties have made requests covering the same policy or procedure language as each IoP is only applicable to a single dispute.

While IoPs for the WFRP program are not considered binding on all parties, as per subpart X, section 33(a)(1)(iii) of the WFRP policy does state these interpretations are generally applicable. Because the determination is a matter of general applicability, requests are considered solely on the basis of the policy or procedure in question and are not viewed in light of any factual circumstance.

Action

RMA has determined it is permissible to publish IoPs relating to WFRP for informational purposes and to reduce administrative burden on program participants. While these IoPs are not considered binding on all participants in the crop insurance program, this action allows RMA to provide guidance on specific topics, which may otherwise prompt requests from parties for an IoP. This is intended to facilitate program participants and stakeholders, including the arbitrator, mediator, judge, or NAD, to resolve disputes without going through the IoP process. Program participants may still request a binding IoP for a particular circumstance, although precedent set by previous IoPs on a specific topic will be applied by RMA to further IoPs on that topic.

IoPs completed after close of business today will be made available to the public for informational purposes. RMA will place these IoPs on the RMA website at www.rma.usda.gov.

DISPOSAL DATE:
December 31, 2020