

PM-22-030: Dairy Revenue Protection Changes Effective for the 2023 and Succeeding Crop Years

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Date

April 29, 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 4/29/2022

Subject

Dairy Revenue Protection Changes Effective for the 2023 and Succeeding Crop Years

Background

The Federal Crop Insurance Corporation's Board of Directors (Board) approved revisions to the Dairy Revenue Protection (DRP) plan of insurance, under section 508(h) of the Federal Crop Insurance Act, on February 17, 2022. The following revisions are applicable for the 2023 and succeeding crop years:

- Allow sales to be suspended during the sales period for situations that arise during the sales period in which market conditions adversely change after the fact.
- Add flexibility to continue coverage when producers experience a disaster at their dairy operation. The insured can use the milk marketing records as of the date of the disaster to determine the milk produced for the rest of the insurance period or use prior milk marketing records if the disaster occurs prior to the start of the insurance period.
- Revised the policy to clarify that the termination date is June 30. Cancellation during a crop year to submit an application for another DRP policy with a

different insurance provider within the same crop year is not allowed.

- Clarify that an insured cannot have other livestock insurance on the same milk in the same quarterly insurance period.

Action

The Dairy Revenue Protection Insurance Policy (23-DRP) will be available by close of business today on the RMA website via the Livestock page at:

www.rma.usda.gov/Topics/Livestock

The 2023 Dairy Revenue Protection Insurance Standards Handbook (20400U) will be released at a later date.

Approved insurance providers must notify policyholders of these changes at least 30 days prior to the cancellation date, as required by the policy.

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/tools-reports/agent-locator.

If you have any questions, please contact the Product Administration and Standards Division Livestock Specialists at rma.kc.livestock@usda.gov.

DISPOSAL DATE

December 31, 2023