

PM-23-064

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Date

October 18, 2023

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ John W. Underwood for

Subject

Transparency in Policy Cancellations Final Rule Effective for the 2024 and
Succeeding Crop Years

Background

The Federal Crop Insurance Corporation (FCIC) amended the Common Crop Insurance Policy (CCIP) Basic Provisions and Area Risk Protection Insurance (ARPI) Basic Provisions. The changes apply for the 2024 and succeeding crop years for the November 30, 2023, contract change date and for the 2025 crop year for crops with a contract change date prior to November 30, 2023.

The changes in the CCIP and ARPI Basic Provisions clarify that an approved insurance provider (AIP) may only cancel a policy with express written consent from FCIC in the CCIP and ARPI Basic Provisions. This change is consistent with the Standard Reinsurance Agreement which prohibits any AIP from cancelling an eligible crop insurance policy held by a producer so long as the producer remains eligible and the AIP continues to write eligible crop insurance contracts within the State, except as authorized by FCIC.

A Final Rule with these changes was published in the Federal Register on October 18, 2023. FCIC invites you to submit comments on this rule through the close of business on December 13, 2023, at [regulations.gov](https://www.regulations.gov).

Action

The following documents will be available by November 30, 2023, on the Risk Management Agency (RMA) website at www.rma.usda.gov:

- Area Risk Protection Insurance Basic Provisions (24-1-ARPI)
- Common Crop Insurance Policy Basic Provisions (24-1-BR)

AIPs must notify producers 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.

DISPOSAL DATE:

December 31, 2024