

PM 19-070: Coarse Grains Crop Provisions and High-Risk Alternate Coverage Endorsement Handbook Changes Effective for the 2020 and Succeeding Crop Years

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Date

November 27, 2019

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 11/27/2019

Subject

Coarse Grains Crop Provisions and High-Risk Alternate Coverage Endorsement Handbook Changes Effective for the 2020 and Succeeding Crop Years

Background

The Federal Crop Insurance Corporation (FCIC) revised the Coarse Grains Crop Provisions to allow separate enterprise or optional units by following another crop (FAC) and not following another crop (NFAC) cropping practices for grain sorghum and soybeans when allowed by the actuarial documents, and to make other technical edits. FCIC also revised the High-Risk Alternate Coverage Endorsement (HR-ACE) Standards Handbook to incorporate the changes made in the Coarse Grains Crop Provisions. The changes will be effective for the 2020 and succeeding crop years.

A Final Rule with these changes published in the Federal Register on November 27, 2019. FCIC invites you to submit comments on this rule through the close of

business January 27, 2020 at [regulations.gov](https://www.regulations.gov).

Action

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

- Coarse Grains Crop Provisions (20-0041)
- Coarse Grains Fact Sheet
- Following Another Crop (FAC) and Not Following Another Crop (NFAC) Cropping Practices Frequently Asked Questions
- High Risk – Alternate Coverage Endorsement Standards Handbook (FCIC-20190-1)
- High Risk – Alternate Coverage Endorsement Frequently Asked Questions

B. The FCIC 18010-01 Crop Insurance Handbook (CIH), Para. 1523 provides instructions on dividing Actual Production History (APH) databases when actuarial documents specify new practices/types. In some counties, the irrigated practice has been divided into FAC and NFAC cropping practices for 2020 and subsequent crop years. In those cases, the APH databases for the irrigated practice must also be divided into FAC and NFAC when FAC and/or NFAC have been produced in previous crop years or the policyholder plans to plant using those practices for the current crop year.

For the 2020 crop year only in such cases, irrigated APH databases may be separated by duplicating prior years history for the irrigated practice for the FAC/NFAC cropping practice, as provided in the exception in CIH Para. 1523 for dividing fall and winter or spring into additional practice due to establishment of multiple planting periods. Yield descriptors “DA,” “DV” and “DG” will be used to identify such duplicated actual production history. Production and acres for irrigated FAC and NFAC cropping practices must be reported and maintained separate in subsequent crop years. For this exception to apply, policyholders must file acceptable production reports in accordance to the new cropping practice for the current crop year in accordance with CIH Para. 1523.

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

DISPOSAL DATE:

December 31, 2019