

# **PM-18-014: 2018 Crop Year (CY) Common Crop Insurance Policy and Area Risk Protection Insurance Projected Prices and Volatility Factors; Malting Barley Endorsement Projected Price Component and Volatility Factor; and Hybrid Seed Price Endorsement...**

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Date

March 1, 2018

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flourney, Deputy Administrator /s/ Richard H. Flourney

Subject

2018 Crop Year (CY) Common Crop Insurance Policy and Area Risk Protection Insurance Projected Prices and Volatility Factors; Malting Barley Endorsement Projected Price Component and Volatility Factor; and Hybrid Seed Price Endorsement - Hybrid Seed Corn Prices

## **Common Crop Insurance Policy & Area Risk Protection Insurance <sup>1</sup>**

The 2018 CY **projected prices** shown below are approved for the following plans of insurance: Yield Protection, Area Yield Protection, Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area Revenue Protection with the Harvest Price Exclusion. The 2018 CY **volatility factors** shown

below are approved for the following plans of insurance: Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area Revenue Protection with the Harvest Price Exclusion. The projected prices and volatility factors apply to policies with a **March 15 sales closing date, unless otherwise indicated**, and are applicable for the crops, practices, types, and states indicated below:

Crop/Practice/Type/State	Exc
<b>Barley</b> Kansas (Spring type)	C
<b>Barley – Organic Practice</b> Kansas (Spring type)	C
<b>Barley</b> Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type)	C
<b>Barley – Organic Practice</b> Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type)	C
<b>Barley</b> California (Spring types), Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin & Wyoming	C
<b>Barley – Organic Practice</b> California (Spring types), Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin & Wyoming	C
<b>Barley</b> Alaska	C
<b>Barley – Organic Practice</b> Alaska	C
<b>Barley</b> <i>(March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement)</i> California, Idaho, Oregon & Washington (previously released 9/15/2017)	C

Crop/Practice/Type/State

Exc

**Barley**

*(September 30 Sales Closing Date, Spring Type)*

Kansas

C

**Barley – Organic Practice**

*(September 30 Sales Closing Date, Spring Type)*

Kansas

C

**Barley**

*(September 30 Sales Closing Date, Spring Types)*

New York & Pennsylvania

C

**Barley – Organic Practice**

*(September 30 Sales Closing Date, Spring Types)*

New York & Pennsylvania

C

**Barley**

*(September 30 Sales Closing Date, Spring Types)*

California, Colorado, Idaho, Oregon & Washington

C

**Barley – Organic Practice**

*(September 30 Sales Closing Date, Spring Types)*

California, Colorado, Idaho, Oregon & Washington

C

**Barley**

*(October 31 Sales Closing Date, Spring Types)*

Nevada & Utah

C

**Barley – Organic Practice**

*(October 31 Sales Closing Date, Spring Types)*

Nevada & Utah

C

**Canola**

All States

I

**Canola - Rapeseed Type**

All States

I

**Canola**

*(August 31 Sales Closing Date, Spring Type(s))*

Idaho, Oregon & Washington

I

**Canola - Rapeseed Type***(August 31 Sales Closing Date, Spring Type(s))*

Idaho, Oregon &amp; Washington

**Corn**

Oklahoma &amp; Texas

**Corn - Organic Practice**

Oklahoma &amp; Texas

**Corn**

Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin & Wyoming

**Corn - Organic Practice**

Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin & Wyoming

**Corn**

Idaho, Michigan, Oregon &amp; Washington

**Corn - Organic Practice**

Idaho, Michigan, Oregon &amp; Washington

**Corn – High Amylose Type**

Illinois, Indiana, Iowa, Kansas, Missouri, Nebraska &amp; South Dakota

**Cotton**

Missouri, Tennessee, Texas &amp; Virginia

**Cotton - Organic Practice**

Missouri, Tennessee, Texas &amp; Virginia

**Cotton**

Kansas, New Mexico &amp; Oklahoma

**Cotton - Organic Practice**

Kansas, New Mexico &amp; Oklahoma

Crop/Practice/Type/State	Exc
<b>Grain Sorghum</b> Texas	C
<b>Grain Sorghum – Organic Practice</b> Texas	C
<b>Grain Sorghum</b> All States, except Texas	C
<b>Grain Sorghum – Organic Practice</b> All States, except Texas	C
<b>Peanuts - Runner Type</b> New Mexico, Oklahoma, Texas & Virginia	CBC
<b>Peanuts - Spanish Type</b> New Mexico, Oklahoma & Texas	CBC
<b>Peanuts - Valencia Type</b> New Mexico, Oklahoma & Texas	CBC
<b>Peanuts - Virginia Type</b> New Mexico, Oklahoma, Texas & Virginia	CBC
<b>Popcorn</b> Alabama (previously released: 2/15/2018)	C
<b>Popcorn - Organic Practice</b> Alabama (previously released: 2/15/2018)	C
<b>Popcorn</b> All States, except Alabama & Michigan	C
<b>Popcorn - Organic Practice</b> All States, except Alabama & Michigan	C

Crop/Practice/Type/State	Exc
<b>Popcorn</b> Michigan	C
<b>Popcorn - Organic Practice</b> Michigan	C
<b>Soybeans</b> Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington & Wisconsin	C
<b>Soybeans - Organic Practice</b> Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington & Wisconsin	C
<b>Soybeans</b> Delaware, Maryland, Oklahoma, Virginia & West Virginia	C
<b>Soybeans - Organic Practice</b> Delaware, Maryland, Oklahoma, Virginia & West Virginia	C
<b>Sunflowers - Oil Type</b> All States	C
<b>Sunflowers - Oil Type; Organic Practice</b> All States	C
<b>Sunflowers - Confectionary Type</b> All States	C
<b>Wheat - All Types Except Durum</b> Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin & Wyoming	M
<b>Wheat - All Types Except Durum; Organic Practice</b> Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin & Wyoming	M
<b>Wheat - Durum Type</b> Montana, North Dakota & South Dakota	M

**Wheat - Durum Type; Organic Practice**

Montana, North Dakota &amp; South Dakota

**Wheat***(September 30 Sales Closing Date, Spring Type)*

California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming

**Wheat – Organic Practice***(September 30 Sales Closing Date, Spring Type)*

California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming

**<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO) and Stacked Income Protection (STAX - cotton only).**

## Malting Barley Endorsement

The Malting Barley Endorsement (MBE) utilizes a Chicago Board of Trade (CBOT) soft red wheat price component to derive the projected price for any insured whose malt barley contract provides for a premium amount above or below a base price to be determined, and the base price is not determined by the acreage reporting date.

Please see the MBE for details: [www.rma.usda.gov/policy-procedure/crop-policies/malting-barley-endorsement-18-0091b](http://www.rma.usda.gov/policy-procedure/crop-policies/malting-barley-endorsement-18-0091b)

Malting Barley Type	Exchange	Contract	Projected Price	Volatility Factor
Spring Planted Type	CBOT	September SRW Wheat	\$4.98/bushel	0.15

## Hybrid Seed Price Endorsement

The following 2018 CY hybrid seed corn prices have been approved for the Hybrid Seed Price Endorsement: **\$3.96 per bushel** for the non-organic practice; and **\$9.07 per bushel** for the certified organic practice.

These amounts reflect the higher values of either: 1) the previously-released 2018 crop year MPCI hybrid seed corn price elections [non-organic practice: \$3.95 per bushel; certified organic practice: \$8.97 per bushel]; or 2) the futures-based prices derived from the average daily settlement price in February for the 2018 December CBOT corn contract [non-organic practice: \$3.96 per bushel], multiplied by an organic corn price factor [certified organic practice: \$9.07 per bushel].

**DISPOSAL DATE**

December 31, 2018