



MGR-20-009: COVID-19 and Crop Insurance Deadlines - Additional Relief

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Date

April 10, 2020

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Martin R. Barbre, Administrator

Subject

COVID-19 and Crop Insurance Deadlines - Additional Relief

Background

Many state and local governments have issued “stay at home” orders in response to the COVID-19 pandemic, which may preclude agents from meeting with policyholders or potential policyholders to obtain signatures associated with various reporting requirements, written agreements, and the purchase of new coverage or adjustments to current policy elections. This bulletin provides additional program flexibility, relief, and complements the following two Manager’s Bulletins (MGRs) issued March 27, 2020: MGR-20-005, COVID-19 and Crop Insurance Deadlines; and MGR-20-006 COVID-19 and Impact on Production Reporting Date (PRD) for Crops Insured Under the Common Crop Insurance Policy, Basic Provisions.

RMA recognizes the challenges the crop insurance industry and America’s farmers and ranchers face and remains committed to provide flexibility that supports the health and safety of all parties, while also ensuring the Federal crop insurance program continues to serve as a vital risk management tool.

Action

2021 Crop Year Sales and Reporting Deadlines for Crops with Sales Closing Dates prior to July 15, 2020.

Notifications may be sent electronically between the policyholder and their Approved Insurance Provider (AIP)/agent. Given the short time period, policyholders may provide information over the phone with appropriate documentation of the call or using electronic methods to select policy elections, such as coverage levels, and for the purpose of reporting acreage and production. If the policyholder sends their report(s), including policy elections, in such a manner, they will be required to either sign digitally at the time of submission or must follow up with a properly signed form(s) no later than July 15, 2020. The policyholder agrees to be bound by their initial certification and cannot make changes, other than those authorized by RMA procedure, after the applicable deadlines. Additional flexibility for the Production Reporting Date (PRD) is provided in Manager's Bulletin, MGR 20-006, COVID-19 and Impact on Production Reporting Date (PRD) for Crops Insured Under the MANAGERS BULLETIN: MGR-20-009 Page 2 Common Crop Insurance Policy, Basic Provisions, and subsequent Manager's Bulletin, MGR 20-006.1.

Reporting Deadline for Options, Endorsements, and Forms for Applicable Crop Years with Deadlines prior to July 15, 2020

Policyholders must select various options and endorsements, and complete forms by sales closing, production reporting, or acreage reporting deadlines to participate in the Federal Crop Insurance Program, such as a Producer's Pre-Acceptance Worksheet (PAW) and Nursery Plant Inventory Value Report. For carryover policyholders, most options and endorsements are continuous, meaning unless a policyholder requests modification, they remain in effect. New policyholders may wish to select from available options in discussion with their agent.

Notifications may be sent electronically between the policyholder and their AIP/agent. Given the short time period, policyholders may provide information over the phone with appropriate documentation of the call or using electronic methods to select options and endorsements occurring for the sales closing, production reporting and acreage reporting deadlines. If the policyholder sends their elections in such a manner, they will be required to either sign digitally at the time of submission or must follow up with a properly signed forms) no later than July 15,

2020. The policyholder agrees to be bound by their initial certification and cannot make changes after the applicable deadline other than those authorized by RMA procedure.

Applicable Options, Endorsements or Forms are identified on the RMA website, Covid-19 FAQ: www.rma.usda.gov/about-crop-insurance/frequently-asked-questions/covid-19-response

Additional relief for the PRD is provided to Manager's Bulletin, MGR 20-006 and MGR 20-006.1.

Perennial Crop Pre-Acceptance Inspection Report (PAIR)

A PAIR is an underwriting tool used by the AIP to establish insurability of the crop or adjust coverage, as authorized by the policy. Additionally, PAIRs verify information provided by the policyholder on the PAW.

The PAW is a policyholder's self-certification of the planting and other conditions of the perennial crop. AIPs are authorized to accept PAWs using authority provided under *Reporting Deadline for Options, Endorsements and Forms for Applicable Crop Years with Deadlines prior to July 15, 2020*, shown above.

Several PAIR deadlines are upcoming for multiple crop years, the following relief and flexibility is granted:

Florida Citrus Fruit Dollar & Florida Fruit Tree Programs: The sales closing date is April 15, 2020, with PAIRs required by June 14, 2020. Although many AIPs indicated most inspections are occurring, some situations may warrant an extension of time to complete the inspections. To provide AIPs additional flexibility, the PAIR deadline is extended until July 15, 2020.

New Apple Tree Program: The sales closing date is April 15, 2020. AIPs are authorized to accept PAWs through May 15, 2020. PAIRs, including a trellis inspection, are also required for new insureds. AIPs must ensure PAIRs are conducted for any appropriate insurability determinations in advance of the date insurance attaches, July 1, 2020.

Pecan Tree Program: The sales closing date is May 15, 2020. PAWs are due from new and carryover policyholder's by May 15, 2020. AIPs must ensure PAIRs are conducted for any appropriate insurability determinations in advance of the date

insurance attaches, July 1, 2020.

All Other Applicable Policies: PAIRs are required when changes occur to carryover policies or for new policyholders when required by the applicable policy to adjust coverage. Examples may include changes such as: irrigation changes, substantial grafting, prior damage, etc. These may also require a Determined Yield Request be submitted to the applicable RMA Regional Office.

For Category C Actual Production History (APH) crops and Pecan Revenue, PAIRs with a deadline due on or before May 30, 2020, AIP have an additional 30 calendar days to complete the necessary PAIRs.

When situations unique to an area impact Regional Office Determined Yield Requests or other PAIR extensions, the applicable RMA Regional Office will continue to issue Underwriting Guidelines on a regional basis. An example is a request to provide coverage to an underage perennial crop. RMA's Regional Offices can be found at: www.rma.usda.gov/rmalocal

Nursery and Nursery Value Select (NVS) Program Inspections

The Nursery program continues to be available for the 2021 crop year with a SCD of May 1, 2020, and insurance attaches June 1 under the terms of the policy. Nursery Value Select (NVS) is a new program for the 2021 crop year, which will be offered in select counties alongside the existing Nursery program. In certain counties, NVS also has a SCD of May 1, 2020, and insurance attaches June 1 under the terms of the policy. Both policies require inspections be conducted in May for insurance to begin as scheduled on June 1.

RMA is authorizing AIPs to defer the 2021 crop year inspection until the subsequent crop year for the Nursery and NVS programs when an inspection report exists in the policyholder's file applicable to Nursery Crop Provisions for the 2017, 2018, 2019 or 2020 crop year(s). Hurricane Irma caused significant damage during the 2018 crop year. AIPs must ensure that any 2018 inspection used appropriately accounts for the damage caused by Hurricane Irma that did not recover before the beginning of the 2019 crop year.

Producer Signature Deadline for Written Agreement Offers

If a written agreement offer is provided to the producer, but the producer fails to sign the offer by the expiration date identified on the offer, a producer signature after the expiration date will be accepted. If the producer accepts the written agreement offer, the producer must still sign and date in the acceptance area of the offer no later than July 15, 2020.

If the signature and date are executed after the expiration date of the written agreement offer, the producer must provide a self-certification, or other documentation, showing that COVID-19 caused a physical inability to sign the offer by the expiration date. This self-certification, or other documentation, must include a brief explanation of the circumstances surrounding the situation (such as, producer was quarantined, agent offices were closed, “stay-at-home” order issued, etc.) and must be included with the signed and accepted written agreement offer when returned to RMA.

Only written agreement offers with an issuance date during the time period of March 15, 2020, to May 30, 2020, will have producer signatures accepted after the expiration date with proper self-certification or documentation. All documentation and signatures for these offers must be completed by no later than July 15, 2020. In lieu of Paragraphs 54 and 56 of the 2020 Written Agreement Handbook, written agreement offers signed after the expiration date due to COVID-19 must be electronically submitted to RMA through the ROE system no later than 15 business days after the producer signed the written agreement offer.

Any written agreement offers with an issuance date after May 30, 2020, must sign by the expiration date identified in the written agreement offer and follow the procedures provided in the 2020 Written Agreement Handbook for submission to RMA.

DISPOSAL DATE:

December 31, 2020