PM-20-045: Area Risk Protection Insurance Basic Provisions, Common Crop Insurance Policy Basic Provisions, and Coarse Grains Crop Provisions Changes Effective for the 2021 and Succeeding Crop Years

View PDF

Date

June 29, 2020

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 6/29/2020 Subject

Area Risk Protection Insurance Basic Provisions, Common Crop Insurance Policy Basic Provisions, and Coarse Grains Crop Provisions Changes Effective for the 2021 and Succeeding Crop Years

Background

The Federal Crop Insurance Corporation (FCIC) revised the Area Risk Protection Insurance (ARPI) Regulations, Common Crop Insurance Policy (CCIP) Basic Provisions, and Coarse Grains Crop Provisions for the 2021 crop year for crops with a contract change date on or after June 30, 2020. For all other crops the changes are applicable for the 2022 and succeeding crop years. The changes implement section 11122 of the Agriculture Improvement Act of 2018 (2018 Farm Bill) that required FCIC research and develop methods of adjusting for quality losses. In addition to the 2018 Farm Bill required changes, provisions were updated regarding premium

offsets, Administrator reinstatement, notice of loss, double cropping requirements, prevented planting, and units.

A Final Rule with these changes was published June 29, 2020, in the Federal Register. FCIC invites you to submit comments on this rule through the close of business August 28, 2020, at <u>regulations.gov</u>.

Action

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

- Area Risk Protection Insurance Regulations
- Common Crop Insurance Policy Basic Provisions
- Coarse Grains Crop Insurance Provisions
- Quality Loss Option Fact Sheet
- Quality Loss Option Frequently Asked Questions
- Enterprise Units Fact Sheet
- Enterprise Units Frequently Asked Questions

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.

DISPOSAL DATE

December 31, 2020