

## **PM-18-058**

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Date

November 28, 2018

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

Subject

Sugar Beet Crop Provisions – 2019 and succeeding crop years in states with a November 30 contract change date and for the 2020 and succeeding crop years in all other states

## **Background**

The Risk Management Agency (RMA) has revised the Sugar Beet Crop Provisions to incorporate changes made in the Final Rule published in the Federal Register on September 10, 2018. The Sugar Beet Crop Provisions (19-039) are effective for the 2019 and succeeding crop years in states with a November 30 contract change date and for the 2020 and succeeding crop years in all other states. The intended effect of the changes is to update the policy to better reflect current agricultural practices. The following policy modifications were made to the Sugar Beet Crop Insurance Provisions:

- Changed the basis of insurance from standardized tons of sugar beets to pounds of raw sugar.
- Removed stage guarantees.
- Added an early harvest factor to prevent a decline in the producer's future insurable yield by increasing the yield recognized for acreage harvested early.

- Moved “end of insurance period” dates to the actuarial documents.
- Updated several definitions to align with the Common Crop Insurance Policy, Basic Provisions and terms defined in other crop policies.

## **Action**

RMA will place, by close of business today, the Sugar Beet Crop Provisions and actuarial documents for the 2019 and succeeding crop years in states with a November 30 contract change date and for the 2020 and succeeding crop years in all other states on the RMA website at [www.rma.usda.gov/](http://www.rma.usda.gov/). Underwriting and loss adjustment procedures will be released at a later date.

Approved Insurance Providers will be required to convert insureds’ Actual Production History databases from standardized tons of sugar beets to pounds of raw sugar. The underwriting procedures will illustrate this conversion.

Interested producers should contact a crop insurance agent for further information. A list of agents can be found on the Risk Management Agency (RMA) website at [www.rma.usda.gov/](http://www.rma.usda.gov/).