MGR-26-011: Emergency Procedures for Crops Damaged by Hurricane Isaias

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Date

October 29, 2026

To

All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

From

Patricia Swanson, Administrator /s/ Patricia Swanson

Subject

Emergency Procedures for Crops Damaged by Hurricane Isaias

BACKGROUND:

Hurricane Isaias caused catastrophic damage in Alabama and Florida. The Risk Management Agency (RMA) recognizes the need for authorizing emergency procedures to streamline certain determinations to accelerate the adjustment of losses and issuance of indemnity payments to crop insurance policyholders in impacted areas.

The local infrastructure for normal day-to-day activities has and will continue to be disrupted as recovery progresses. Due to the interruption of communication capability and the limited ability to travel in the impacted areas, many policyholders may be unable to communicate with their agents to report losses within the Common Crop Insurance Policy, Basic Provisions (BP) 72-hour requirement.

ACTION:

RMA authorizes the use of these emergency procedures for all counties in Alabama and Florida impacted by Hurricane Isaias.

Application of these emergency procedures is limited to those situations where the catastrophic nature of the losses due to insured perils is such that not authorizing these emergency procedures would result in unnecessary delays in administering the crop insurance program.

RMA is authorizing the following emergency procedures for Approved Insurance Providers (AIPs) to utilize, on a case-by-case basis, to assist impacted policyholders and increase efficiency of AIP services and determinations:

(1) For all claims utilizing these emergency loss adjustment procedures, AIPs must

(a) Submit all information through the Policy Acceptance and Storage System (PASS) for applicable Appendix III to the Standard Reinsurance Agreement (SRA) record type P-21 with a simplified claim flag of “F”; and

(b) Document in each claim folder that these emergency loss adjustment procedures were applied. Record in the narrative of the Production Worksheet (PW): “Emergency Loss Adjustment procedures applied per MGR-26-011.”

(2) In lieu of the requirements to report damage within 72 hours, RMA authorizes AIPs to consider individual circumstances in accepting delayed notices of loss in accordance with the Loss Adjustment Manual (LAM) Standards Handbook (FCIC-25010). Delayed notices of loss or delayed claims attributable to damage from Hurricane Isaias do not require completion of the special report normally required by the LAM. Instead, document such in the narrative of the PW.

(3) AIPs may use reported acres certified on the acreage report as determined acres for claim purposes, unless:

(a) Acceptable measured acres as defined in the LAM are readily available (e.g., acreage measured during a previous inspection, precision farming records available, etc.); or

(b) The loss adjuster can make a visual observation at the time of loss adjustment, and it is determined the reported acres certified on the acreage report appears unreasonable. In this case, the acreage must be determined according to LAM procedures. If the loss adjuster is unable to make a visual observation at the time of

loss adjustment and the acreage seems excessive compared to historically-reported acreage, then use the acreage from past crop insurance measurements, precision farming records, previous acreage reports, Farm Service Agency (FSA) acreage reports, crop insurance claims, etc., to determine the acreage for the claim.

Note: Current Federal Crop Insurance Corporation (FCIC)-issued loss adjustment procedures do not require the use of FSA documents, such as aerial photos, FSA-578, etc., to verify crop acreage or share.

(4) For crops (other than Nursery) destroyed or damaged to the extent they will never be harvested (e.g., unable to mechanically harvest):

(a) On the entire unit:

(i) Complete the PWs, reflecting zero production to count; and

(ii) An appraisal worksheet is not required.

(b) On part of the unit, field, or subfield:

(i) Estimate the acreage in the field or subfield based on the certified acreage from the acreage report (refer to item 3);

(ii) Complete the PWs, reflecting zero production to count for the destroyed/unharvestable field; and

(iii) An appraisal worksheet is not required on the destroyed/unharvestable acreage.

Note: This procedure only applies in situations where the crop is destroyed or damaged to the extent it will never be harvested. It does not apply in cases where the policyholder chooses not to harvest marketable production.

(5) In cases where the policyholder has requested to put the acres to another use and the crops are not destroyed on the unit or part of the unit:

(a) A minimum number of three representative samples per unit are required without regard to the size of acreage if the damage is consistent. If there are more than three fields or subfields within the unit, and the damage is consistent, only one representative sample per field or subfield is required. AIPs must notate as such in the narrative of the PW.

(b) Estimate the acreage in the field(s) or subfield(s) based on the certified acreage from the acreage report (refer to item 3).

(c) Record the harvested or appraised production on the applicable appraisal worksheet or PW.

(6) When written consent is required per the Crop Provisions (CP), AIPs may provide verbal consent to policyholders before they move, destroy, sell, or otherwise dispose of damaged crops, plants, or plant material, so that they may care for the remainder of their crop. The AIP may provide verbal consent and follow-up such consent in writing if:

(a) The policyholder provides or the AIP obtains sufficient photographic documentation of the specific crop, plant, or plant material in context to surroundings, to demonstrate the necessity to move or dispose of the material;

(b) The policyholder maintains an inventory record of all such damaged crops, plants, and plant material by age, stage, commodity, size, type and practice, as applicable to the crop that was moved, destroyed, sold, or otherwise disposed of; and

(c) The AIP returns to complete the appraisal and other claim activities and obtains a signed certification form (see LAM Paragraph 731) from the policyholder for damaged crops, plants, and plant material that was moved, destroyed, sold, or otherwise disposed of.

(7) For situations where the edible portion of an insured crop has been exposed to flood waters:

(a) Follow procedures found in Paragraph 1008 of the LAM on Flooded Crops.

(b) During the on-the-farm inspection, AIPs may finalize claims based on policyholder’s signed certification that the production will be destroyed. This certification may be included in the narrative of the PW or on a separate certification form. The policyholder must sign and date the certification statement stating:

“I acknowledge my crop has been exposed to flood waters and is considered adulterated in accordance with Food and Drug Administration (FDA) guidelines and:

(i) All such production will be destroyed in accordance with any applicable method prescribed by State or Federal regulations, as soon as possible but no later than December 31, 2026, unless an extension is granted by my AIP;

(ii) I understand that if any portion of my production that was exposed to flood waters is salvaged (sold, ginned, etc.), I will notify my AIP immediately, and that this will result in a corrected claim and will require repayment of any overpaid indemnity; and

(iii) I understand that I am responsible for maintaining photographic evidence, with the date and location identified, to verify destruction of the production. I understand that I am required to maintain this evidence for 3 years from the date of destruction."

(8) For Cotton: For situations where cotton has not been exposed to flood water but is considered unable to be ginned due to an insurable cause of loss:

(a) Follow procedure found in Subparagraph 1002H of the LAM on Zero Market Value (ZMV) Production.

(b) The AIP must obtain documentation from the gin stating the cotton is unable to be ginned.

(c) During the on-the-farm inspection, AIPs may finalize claims based on the policyholder's signed certification that the production will not be ginned and will be destroyed. This certification may be included in the narrative of the PW or on a separate certification form. The policyholder must sign and date the certification statement stating:

"I will not attempt to have the cotton ginned and will destroy the production, utilizing a destruction method that will render the cotton unusable, as soon as possible but no later than December 31, 2026, unless an extension is granted by my AIP. I understand that if any portion of my ZMV production is salvaged (sold, ginned, fed, etc.), I will notify my AIP immediately; resulting in a corrected claim and repayment of any overpaid indemnity."

(9) For Nursery Value Select (NVS): In order to timely and accurately adjust nursery claims in all counties affected by Hurricane Isaias, the following emergency procedures are approved for determining pre-loss actual unit value and post-loss

damage value when the reported inventory values appear to be reasonable based on the AIP inspection of the damaged nursery crops. In the event the reported inventory values do not appear to be reasonable, the AIP will not follow the procedures below, but will complete a thorough inventory count of the nursery to establish the correct
pre-loss actual unit value.

(a) The approved sales value for each specific plant will be used when determining the pre-loss actual unit value and post-loss damage value.

(b) In lieu of the order of precedence in the definition of “approved sales value” in the NVS CP, to determine the approved sales value for pre-loss actual unit value and post-loss damage value, the AIP uses the policyholder’s wholesale catalog price for each specific plant multiplied by the difference between 1.00 and the largest percentage discount (calculated as a percentage if the discount is recorded as a dollar amount) that the policyholder provides to any buyer for any quantity of any specific plant.

(i) If the policyholder’s catalog does not contain all applicable
discounts, the wholesale catalog price for the specific plant will be decreased by 10 percent; and

(ii) Notwithstanding item 9(b) herein, discounts will not be applied to prices for plants grown under license from the holder of a patent issued by the U.S. Patent and Trademark Office provided the license specifically establishes the required sales price.

(iii) A discount stated as a dollar value relative to a specific dollar amount or a range of dollar amounts for a purchase will be converted to a percentage rate by dividing the dollar amount of such discount by the dollar amount to which such discount applies.

(10) For crops resulting in a total uninsurable loss with no access to supporting production evidence (farm management records such as field harvest records, weight of production, bin measurements, etc.), AIPs may allow producers to elect to apply the UUF/Third-Party procedures in Paragraph 1236 and Part 13 of the Crop Insurance Handbook (FCIC-18010-1) for Actual Production History purposes.

RMA will continue to monitor the situation and issue additional emergency procedures, if necessary.

DISPOSAL DATE:
December 31, 2026