

United States Department of Agriculture

February 3, 2005

Risk Management Agency

Raleigh Regional Office

4407 Bland Road, Suite 160 Raleigh, NC 27609

## INFORMATIONAL MEMORANDUM:

TO: All Reinsured Companies

All Risk Management Agency Field Offices

FROM: Larry N. Atkinson /s/ Larry N. Atkinson

Director

SUBJECT: Request for RMA Regional Office Determine Yields for the 2005 crop year -

Category "C" Actual Production History (APH) Perennial Crops

## **ISSUE:**

The 2005 Crop Insurance Handbook (CIH) Section 7F(2)(b), provides procedure and formulas designed to identify and adjust high variability perennial crop yields that indicate patterns of alternate bearing years or downward trends in productivity. As provided in the Raleigh Regional Office (RO) 2004 Underwriting Guidelines, perennial crop growers in the Raleigh region may have been impacted by severe weather related losses since 2002. The consequences of these losses may identify certain crops for high variability procedures in some cases.

As provided in the crop endorsements, we may reduce the yield used to establish the production guarantee based on our estimate of the effect of particular circumstances on the yield potential of the insured crop.

## **ACTION:**

In those cases where the insured believes their yields may be inappropriately identified by the high variability of actual yields procedure, RMA RO determined yields may be requested by the insured. The Insurance Provider must submit a completed RMA RO Determined Yield Request with all required signatures (see CIH, Exhibit 34). The request must be postmarked by the United States Post Office, or a similar organization no later than 30 business days after the date of this memorandum.

Under item number 8, the producer must outline why any unit(s) should not be adjusted for high variability of the actual yields. Under item number 9, Submission Checklist, all applicable documents (see CIH, Section 7F(6)) and any additional supporting document should be noted and submitted with the request.

All documentation will be reviewed to determine if adjustment is appropriate. Incomplete requests, late requests, and requests that do not contain information to indicate that adjustment is not appropriate will be denied.

