

United States
Department of
Agriculture

**BULLETIN NO.: MGR-09-002** 

Risk TO: All Approved Insurance Providers

Management Agency Field Offices
Agency

All Other Interested Parties

1400 Independence

Avenue, SW Stop 0801 Washington, DC 20250-0801

**FROM:** Eldon Gould /s/ Eldon Gould 1-8-2009

Administrator

**SUBJECT**: Dry Pea Crop Insurance Provisions Effective for the 2009 Crop Year

## **BACKGROUND**:

The Federal Crop Insurance Corporation's (FCIC) Risk Management Agency (RMA) published the Dry Pea Crop Provisions Final Rule on September 4, 2008. On September 9, 2008, RMA notified all approved insurance providers (AIPs) the new Dry Pea Crop Insurance Provisions (09-067) and Summary of Changes were released and published on the RMA Web site. The Dry Pea Crop Insurance Provisions are effective for the 2009 crop year for all Dry Pea Counties with a contract change date on or after November 30, 2008. These 2009 crop provisions allow insurance for Chickpea (Garbanzo Bean) only as dry pea types in all states except California.

RMA has received questions from several AIPs regarding the need to cancel Chickpea (Garbanzo Bean) coverage previously insured under the Dry Bean Crop Provisions.

## **ACTION:**

Chickpea producers (in states except California) who participated in the Dry Bean crop insurance program must be advised about the availability of coverage under the Dry Pea crop insurance program. Chickpea producers who wish to insure their production for the 2009 and subsequent crop years must apply for coverage under the new Dry Pea Crop Provisions (09-067) by the Sales Closing Date provided in the actuarial documents.

Unless the policyholder has a type of Dry Bean other than Chickpea (Garbanzo Bean) insured under a Dry Bean policy, cancellation notices must be issued to all producers insuring Chickpea (Garbanzo Bean—Commercial Kabuli, large Kabuli, small Kabuli or Desi types) solely under the Dry Bean Crop Provisions (98-047). Early cancellation is necessary to provide policyholders with an opportunity to review alternate risk management options available to them under the new Dry Pea Crop Provisions (09-067).



BULLETIN NO.: MGR-09-002 Page 2

Cancellations must be issued for the affected policies at least 30 days prior to the March 15, 2009, Cancellation Date. Therefore, for the 2009 crop year, coverage for Chickpea will no longer be provided under the Dry Bean Crop Provisions. Applications or policies (in states except California) not canceled but attempt to continue to insure Chickpea coverage under the Dry Bean Crop Provisions will not be reinsured by the FCIC. In counties that now recognize the aforementioned Garbanzo Beans as a type of Chickpea under the Dry Pea program, carry-over Dry Pea policyholders should also be notified before March 15, 2009 so they may select their preferred coverage level and percentage of price election for chickpeas.

## **DISPOSAL DATE**:

This bulletin may be disposed of after June 30, 2009