



United States  
Department of  
Agriculture

**BULLETIN NO.: MGR-013-002**

Farm and Foreign  
Agricultural  
Services

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

Risk  
Management  
Agency

**FROM:** Brandon C. Willis /s/ *Brandon C. Willis* 1/31/2013  
Acting Administrator

1400  
Independence  
Avenue, SW  
Stop 0801  
Washington, DC  
20250-0801

**SUBJECT:** Establishing APH Databases for Specialty Canola and Specialty Corn for  
2013 Crop Year

**BACKGROUND:**

The Federal Crop Insurance Corporation Board of Directors (FCIC Board) approved the specialty canola insurance program on March 1, 2012 and the specialty corn insurance program on May 10, 2012.

Specialty canola insurance allows policyholders to insure their specialty type canola at a more favorable contract price, if grown under contract in the states of Minnesota, Montana, and North Dakota. Likewise, specialty corn insurance allows policyholders of high amylase and blue corn types to insure their specialty type corn at a contract price, if grown under contract, in specific counties in certain states. Both of these programs apply only to the Yield Protection and Revenue Protection plans of insurance.

As a result of these programs, the actuarial documents, effective for crop year 2013, now provide separate insurance offers for canola types as; Spring Oleic (286) (non-specialty type), and Spring High Oleic (384) (specialty type). Insurance offers for corn include corn types of Grain (016) (non-specialty type), Silage (026) (non-specialty type), High Amylase (382) (specialty type), and Blue (383) (specialty type).

The FCIC-18010 Crop Insurance Handbook (CIH), Section 13C(3), provides instructions on establishing or dividing Actual Production History (APH) databases when actuarial documents specify new practices/types (P/T), or otherwise modify existing P/T's. Separate APH databases are required for each P/T listed on the actuarial documents when the particular P/T has been produced in previous crop years or the policyholder plans to plant for the current crop year. This applies when transitional yields (T-Yields) are the same for different types and regardless of whether the producer chooses to insure based on a contract price.



The Risk Management Agency Administrators  
And Oversees All Programs Authorized Under  
The Federal Crop Insurance Corporation

The Risk Management Agency (RMA) has received concerns that this requirement to establish separate production histories for specialty production negatively impacts the production guarantee that producers are able to obtain for their specialty canola or corn, even when the producers do not elect to insure at the contract price. RMA has received similar concerns specific to specialty soybeans marketed as Low Linolenic Acid.

With the increase in specialty types and the various genetic enhancement/improvements in various seed varieties, it has become apparent that there is a need for establishing standards or criteria for determining when significant differences between yield productivity for differing types and practices exists and forms a necessary basis for separate APH databases. In review of available data for Spring High Oleic canola, High Amylase corn and Low Linolenic Acid soybeans, it is not clear there is significant yield reduction between these types and non-specialty types.

**ACTION:**

- (A) For the 2013 crop year only, in those locations where the actuarial documents provide for the following types:
- (1) canola type Spring High Oleic (384);
  - (2) corn type High Amylase (382); and
  - (3) soybean type Low Linolenic Acid (884);and
- the policyholder produces one of these specialty types in addition to the corresponding non-specialty type identified above, the policyholder may:
- (i) Elect to insure using the specialty contract price, in which case the insured must follow standard APH procedures located in the CIH, Section 13C(3) to establish separate APH databases for each separate type; or
  - (ii) Elect not to insure using the specialty contract price, in which case the insured will not be required to establish a separate APH database for the specialty type.
- (B) Due to the increase in the number of crop types and practices in recent years as a result of improving technologies and increases in food grade varieties, RMA will develop standards or criteria for when it will be necessary to establish separate APH databases for types and practices of crops in the actuarial documents. RMA intends to make these standards or criteria available on the RMA website to allow for input and comment by producers, stakeholders and other interested parties prior to finalization and implementation.

**DISPOSAL DATE:**

December 31, 2013