



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

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Independence
Avenue, SW
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20250-0801

BULLETIN NO.: MGR-15-001

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

FROM: Brandon C. Willis /s/ *Brandon Willis* 2/25/2015
Administrator

SUBJECT: Conservation Compliance Certification Requirement

BACKGROUND:

The Agricultural Act of 2014 (Farm Bill) re-linked the highly erodible land conservation (HELIC) and wetland conservation (WC) provisions to eligibility for Federal crop insurance premium subsidy on any policy or plan of insurance, including specialty crops, livestock, and pasture. A person must provide a completed and signed form AD-1026 certifying compliance with the HELIC and WC provisions to their local Farm Service Agency (FSA) office by June 1, 2015, to be eligible for 2016 reinsurance year premium subsidy.

The Risk Management Agency (RMA), FSA, and Natural Resources Conservation Service (NRCS) have conducted several outreach activities including webinars and training presentations, and developed several fact sheets, question and answer documents, and brochures to inform and educate producers of the HELIC and WC provisions and certification requirements. In addition, RMA mailed a letter to crop insurance participants who did not have form AD-1026 on file according to FSA's records. These efforts have led to many producers having filed the form certifying compliance. However, according to FSA records, a number of crop insurance participants have yet to provide the needed certification to be eligible to receive the premium subsidy.

FSA has also advised that they have received AD-1026 forms that do not include all the information needed to enter the producer into their records as having certified compliance. Until all needed information is obtained, a producer will remain ineligible for premium subsidy. Some of the incomplete AD-1026 forms appear to have been completed by someone other than the person signing the form. A crop insurance agent may assist a producer in completing form AD-1026, but may not sign the form on behalf of the producer unless they have an approved power of attorney on file with FSA. It is ultimately the producer's responsibility to submit and assure they have an AD-1026 on file with FSA.

Submitting a completed and signed form AD-1026 without other required information does not provide all the information FSA needs to create an eligibility record for persons who have never interacted with FSA before. Some of the information needed to create an eligibility record includes information that is not obtained on form AD-1026, such as the

full mailing address and full Tax Identification Number (TIN). Producers should be reminded to verify their entity and TIN match between what they have reported to FSA and similar information they have reported to their crop insurance agent. The primary number for verifying compliance between FSA and RMA will be the TIN.

To assist producers who submitted incomplete AD-1026 forms and assist FSA in creating their records, RMA will share certain common producer data with FSA, as allowed by law. However, if a producer (or agent) mailed or faxed form AD-1026 to FSA, it is strongly recommended they contact their local FSA office to ensure all required information is on file with FSA. Attached is a document outlining the information, which can be made available to agents, producers, or others as needed.

Additionally, FSA has provided RMA an updated list of persons who have accurately completed and signed form AD-1026 as recorded in their records. Subsequently, RMA has created Approved Insurance Provider (AIP) specific data files of 2014 reinsurance year customers who still do not have form AD-1026 on file with FSA. In April 2015, RMA and FSA anticipates repeating this process using the 2015 reinsurance year customers.

Additional information products and resources are available at the following websites:

- offices.sc.egov.usda.gov/locator/app
- www.nrcs.usda.gov
- www.fsa.usda.gov
- www.rma.usda.gov

ACTION:

RMA would request that each AIP:

- distribute the attached document outlining form AD-1026 filing requirements to crop insurance agents; and
- download their customized list of insured persons who do not have form AD-1026 on file according to FSA records from the FTP server (kcsn204) in their 2015 download directory, and provide this to the agent of record.

This information is being provided to the AIPs and agents to be used for outreach as they desire to assist in helping producers remain eligible for premium subsidy for the 2016 reinsurance year. This list cannot be used or distributed beyond its intended purpose.

DISPOSAL DATE:

December 31, 2015.

Attachments (1)