



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

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

BULLETIN NO.: MGR-15-009

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

FROM: Brandon C. Willis /s/ *Brandon Willis* 11/16/2015
Administrator

SUBJECT: Efficient Irrigation

BACKGROUND:

The Risk Management Agency (RMA) awarded a contract to evaluate options for a risk management solution to assist producers facing reduced use of irrigation water. The contracted solutions must meet the needs of producers while also providing long-term viability and sustainability as part of an actuarially sound Federal crop insurance program.

During the contract listening sessions, producers expressed concern that RMA procedure did not formally recognize changes in producers' management practices leading to, or consistently recognizing, the increased efficiency of irrigation water use. This left producers uncertain as to whether they would be able to continue insuring under an irrigated practice, or with certainty at claim time that they had met good farming practices. The producer-initiated improvements and enhancements employ more efficient irrigation methods while allowing the acreage to still achieve its irrigated Actual Production History (APH) yield while using a lesser amount of irrigation water than historically applied.

To address these producers' concerns, RMA is revising its procedures to more formally recognize efficient irrigation practices and management. RMA will continue to address concerns related to the reduced use of irrigation water that subsequently impacts yields and the insurance guarantee. Additional contract recommendations are expected within the upcoming year to offer alternatives for adjustments to an irrigated APH yield when producers intend to use lesser amount of irrigation water than historically applied resulting in such acreage likely not achieving a fully irrigated APH yield, yet still yielding higher than insurance guarantees for non-irrigated acreage.

ACTION:

For crop year 2016 spring crops, efficient irrigation is recognized by modifying the Irrigated Practice Guidelines, attached, in the Federal Crop Insurance Corporation (FCIC) 24040 Document and Supplemental Standards Handbook (DSSH), Exhibit 55 Paragraph 1, by incorporating the following:

Efficient Irrigation: Carrying out a good irrigation practice using a lesser amount of irrigation water than historically applied for such acreage, but still achieving the irrigated APH yield by implementing improved or enhanced management practices to increase the efficiency of irrigation water use.

Enhanced management practices to increase efficiency of irrigation water use include, but are not limited to, the following:

- Irrigation Method - Employing an irrigation water distribution technique or technology that has demonstrated greater efficiency (e.g., converting gravity flood irrigation to a center pivot or underground drip tape).
- Converting high pressure impact sprinklers to low pressure impacts under center pivot irrigation.
- Soil Moisture Monitors - Using soil moisture monitor output to set the schedule and amount of irrigation water applied.

Consistent with DSSH Paragraph 2A, Exhibit 55, when requested, the insured must provide documentation which supports they are carrying out a good irrigation practice.

The following FCIC directives are amended to recognize the addition of efficient irrigation to the Irrigated Practice Guidelines:

- 2016 FCIC 18010 Crop Insurance Handbook (CIH) Part 11, Section 1.
- 2016 FCIC 25010 Loss Adjustment Manual, Para. 301.
- 2016 FCIC 25370 Prevented Planting Loss Adjustment Standards Handbook (PP LASH), Exhibit 3.

DISPOSAL DATE:

Until incorporated into FCIC directives.