USDA

United States Department of Agriculture

Farm and Foreign Agricultural Services

Risk Management Agency

Beacon Facility Mail stop 0801 P.O. Box 419205 Kansas City, MO 64141-6205

November 23, 2011

INFORMATIONAL MEMORANDUM: PM-11-054

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

FROM: Tim B. Witt */s/Tim B. Witt*
           Deputy Administrator

SUBJECT: Acceptable Records for Vertically Integrated Producers

BACKGROUND:

The 2011 FCIC 18010 Crop Insurance Handbook (CIH) Section 14F added procedure regarding acceptable records for vertically integrated producers. This procedure limited the production records for vertically integrated producers to hand-picked production records or daily sales records when accompanied by additional documentation; pre-harvest appraisals or tax records. Interested parties have expressed concern regarding the limitation these acceptable production record requirements placed on vertically integrated producers.

ACTION:

The Risk Management Agency (RMA) authorizes the following acceptable production records as stand-alone records for vertically integrated producers: daily sales records, daily pick records, pre-harvest appraisals or tax records in accordance with the procedure established in CIH Section 14D(6). RMA also authorizes machine harvest records and certified scale weight records, as stand-alone acceptable production records. These records must be legible, include the name of the insured, the name of the crop, the date of harvest or the date weighed, unit number or the location of the production, practice, type, crop year and a printout of the quantity of weighed production. For wineries that process their own grapes, the weight can be recorded on the form used for reporting to the Alcohol and Tobacco Tax and Trade Bureau.

DISPOSAL DATE:

Until incorporated in the CIH.

RMA