



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural  
Services

Risk  
Management  
Agency

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October 10, 2013

**INFORMATIONAL MEMORANDUM: PM-13-047**

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

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

**SUBJECT:** Government Shutdown – Updated Contingency Actions

**BACKGROUND:**

During the government shutdown teleconference with Approved Insurance Providers (AIPs) occurring on October 1, RMA advised it would update contingency actions and guidance if the shutdown was of a longer term nature. The following is provided to AIPs for their information and action as needed or required.

**ACTION:**

Monthly/Annual Accounting - The Standard Reinsurance Agreement (SRA), Section IV.(b) Reports, and Appendix III, outline requirements and a transaction cut-off date for the submission of data to the Policy Acceptance and Storage System for purposes of producing monthly and annual accounting reports. The transaction cut-off date for the October monthly and annual accounting reports is October 11, 2013. Effective today, the October transaction cut-off date is being extended to November 8, 2013.

Fund Designation – The SRA, Section II.(b)(2) and Appendix III outline requirements for the designation of eligible crop insurance contracts to the Assigned Risk Fund by the transaction cut-off date for the week containing the 30<sup>th</sup> calendar day after the sales closing date. For eligible crop insurance contracts (applicable to certain growing areas for onions, canola and sugar beets) with a sales closing date of August 31, the transaction cut-off date for fund designation was October 4. AIPs must designate any eligible crop insurance contracts for the August 31 sales closing date by October 15, 2013 via email, with attached fund designation records, and sent to [jason.albright@rma.usda.gov](mailto:jason.albright@rma.usda.gov).

October 31 Sales for Wheat and Barley – In the states of Arizona, California, Nevada and Utah, there is a sales closing date for winter wheat, winter barley and durum wheat. The period of price discovery and establishment of price elections for these crops normally occurs September 15 through October 14, with final prices generally announced the

following day. At this time, it does not appear RMA will be in a position to timely determine and release these price elections. Therefore, AIPs must use their best judgment in following the terms of the Commodity Exchange Price Provisions (CEPP) in determining a reasonable price to use in quoting coverage and premium estimates for producers. In general, for revenue protection policies, volatility factors would appear to be somewhat similar to crops and areas as announced by RMA on September 16, 2013. Once the lapse in appropriations has been addressed, RMA will announce the prices and volatility factors consistent with the terms of the CEPP, which will be binding on all eligible crop insurance contracts to be reinsured under the SRA.

**DISPOSAL DATE:**

June 30, 2014.