



United States
Department of
Agriculture

December 18, 2014

Farm and Foreign
Agricultural
Services

INFORMATIONAL MEMORANDUM: PM-14-062

Risk
Management
Agency

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

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

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

SUBJECT: Agricultural Act of 2014 – Actual Production History (APH) Yield
Exclusion (YE)

BACKGROUND:

Section 11009 of the Agricultural Act of 2014 (2014 Farm Bill) allows producers the ability to elect to exclude actual yields from their APH for crop years when the average per planted acre yield for the county was at least 50 percent below the simple average for the previous 10 consecutive crop years. A crop year determined eligible for exclusion for a crop in a county, will also be eligible for exclusion in contiguous counties. Excluding actual yields from a producer's APH may result in a higher approved APH yield used to establish insurance coverage. Separate determinations will be made for irrigated and non-irrigated acreage, when data is available. The YE option will be listed in the county actuarial documents showing the crop and eligible crop year(s) for exclusion.

ACTION:

Procedures providing the instructions for implementation of the APH YE provision along with other associated information have been completed. These procedures are in effect for the 2015 crop year for corn, soybeans, spring wheat, cotton, grain sorghum, rice, spring barley, spring canola, sunflowers, peanuts, and popcorn, with a contract change date on or after November 30, 2014, when identified in the actuarial documents for the county. For the 2016 crop year, the YE election will be available for additional crops and in dual coverage counties with spring and fall insurance coverage, as identified in the actuarial documents.

By the close of business today, the following materials will be available on the RMA website (<http://www.rma.usda.gov>):

- APH YE Procedures
- APH YE Fact Sheet
- APH YE Frequently Asked Questions
- All Actuarial Information

- Online Cost Estimator
- APH YE Premium Rate Overview

Any additional information for APH YE will be posted to the above website as it becomes available.

Interested producers should contact a crop insurance agent for further information. A list of agents can be found on the RMA website: <http://www.rma.usda.gov>.

DISPOSAL DATE:

Until incorporated into the applicable procedures.

Attachment