

June 29, 2006

United States Department of Agriculture

Risk Management Agency

6501 Beacon Drive Kansas City, MO 64133-4676

INFORMATIONAL MEMORANDUM: PM-06-027

TO: All Reinsured Companies All Risk Management Agency Field Offices All Other Interested Parties

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

SUBJECT: Written Agreement Amendment for the 2007 and Succeeding Crop Years for the Common Crop Insurance Policy, Basic Provisions and Crop Revenue Coverage, Basic Provisions.

The Risk Management Agency (RMA) has placed a new amendment (07-Written Agreement) on the RMA Web site at: <u>http://www.rma.usda.gov/policies/2007policy.html</u>. The new amendment amends the written agreement provisions in the Common Crop Insurance Policy, Basic Provisions and Crop Revenue Coverage, Basic Provisions effective for the 2007 and succeeding crop years for all crops with a contract change date on or after June 30, 2006, and for the 2008 and succeeding crop years for all crops with a contract change date prior to June 30, 2006. The amendment reflects regulatory changes made in a Final Rule published in the <u>Federal Register</u> on June 29, 2006.

The amendment is necessary to comply with section 780 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2006 (2006 Appropriations Act). The 2006 Appropriations Act allows RMA to offer a written agreement to an individual producer to provide crop insurance on a particular agricultural commodity in an area where crop insurance is not available for the commodity, if the producer has actuarially sound data relating to the production by the producer of the commodity or similar commodity and the data is acceptable to the Federal Crop Insurance Corporation.

Insurance providers must notify policyholders of these changes at least 30 days prior to the applicable cancellation date.

DISPOSAL DATE:

This Informational Memorandum is for the purpose of transmitting/updating information and the disposal date is December 31, 2006.

