



United States  
Department of  
Agriculture

Risk  
Management  
Agency

P.O Box 419205  
Kansas City,  
MO 64141-6205

April 30, 2008

**INFORMATIONAL MEMORANDUM: PM-08-020**

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: Policyholder Privacy Act Statement

**BACKGROUND:**

On December 11, 2007, the Risk Management Agency (RMA) published a notice in the Federal Register revising the Policyholder Systems of Records and added new routine uses to include the Comprehensive Information Management System (CIMS) and Safeguarding and Responding to a breach of Personally Identifiable Information.

The Privacy Act, 5 U.S.C. 522a (e)(3) provides that agencies are required to inform each individual whom it asks to supply information, on a form which it uses to collect the information or on a separate form that can be retained by the individual: 1) the authority which authorizes the solicitation of the information; 2) the purposes for which information is intended to be used; 3) the routine uses which may be made of the information; and 4) the effect on the person of not providing the requested information.

In accordance with the Privacy Act and the amended System of Records, RMA has revised the Policyholder Privacy Act Statement.

**ACTION:**

The revised Policyholder Privacy Act Statement is provided in Attachment A and is also available on the RMA website at <http://www.rma.usda.gov/regs/lawsregsindex.html> under "Required Statements". The revised statement replaces Exhibit 3 of the FCIC 24040 Document and Supplemental Standards Handbook (DSSH).

Approved Insurance Providers (AIP) may continue to use existing form stock developed according to previously released RMA standards contained in the DSSH through December 31, 2008.



The Risk Management Agency Administers  
And Oversees All Programs Authorized Under  
The Federal Crop Insurance Corporation

An Equal Opportunity Employer

**DISPOSAL DATE:**

This Informational Memorandum is for the purpose of transmitting information and will remain in effect until incorporated into the DSSH.

**POLICYHOLDER - COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)  
STATEMENT**

To the extent that the information requested herein relates to your individual capacity as opposed to your business capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The Federal Crop Insurance Act (7 U.S.C. 1501-1524) (Act) and the regulations contained in 7 C.F.R. chapter IV provides the authority to request the information on this form..

Collection of the social security account number (SSN) or the employer identification number (EIN) is authorized by section 506 of the Act and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in you or your entity of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN or EIN is voluntary. However, failure to furnish that number will result in denial of program participation and benefits.

Your policy also specifies other information that must be provided. The principle purposes of this information are to provide insurance; reinsurance; determine eligibility; determine the correct parties to the agreement; determine and collect premiums or other monetary amounts (including administrative fees and over payments); and pay benefits. The routine uses of this information include: (1) Referral to the appropriate agency, whether Federal, State, local or foreign including the Department of Justice, charged with the responsibility of investigating or prosecuting a violation of law, or of enforcing or implementing a statute, rule regulation or order issued pursuant thereto, of any record within this system when information available indicates a violation or potential violation of law, whether civil, criminal, or regulatory in nature, and whether arising by general statute or particular program statute or by rule, regulation or order issued pursuant thereto; (2) Disclosure to a court, magistrate or administrative tribunal, or to opposing counsel of any record within the system that constitutes evidence in that proceeding, or which is sought in the course of discovery, to the extent that FCIC determines that the records sought are relevant to the proceeding; (3) Disclosure to a congressional office in response to any inquiry from the congressional office made at the request of that individual; (4) Disclosure to Approved Insurance Providers (AIP), contractors, cooperators, partners of FCIC, and other Federal agencies for any purpose relating to the sale, service, and administration of the Federal crop insurance program and the policies insured under the authority of the Act; (5) Disclosure to other Federal agencies and contractors, cooperators, and partners of FCIC for the purpose of conducting research, development, analyses, and evaluation into all aspects relating to new and existing crop insurance programs and other risk management tools; (6) Disclosure to contractors or other Federal agencies to conduct research and analysis to identify patterns, trends, anomalies, instances and relationships of AIP's, agents, loss adjusters and policyholders that may be indicative of fraud, waste, or abuse; (7) Disclosure to AIPs, contractors, and other applicable Federal agencies to determine whether information has been accurately provided to FCIC and the AIPs and to determine compliance with program requirements; and (8) Disclosure to the Comprehensive Information Management System (CIMS) authorized under the Farm Security and Rural Investment Act of 2002, Section 10706 (All information disclosed to CIMS may be further disclosed to any contractor engaged in the development or maintenance of CIMS, to the Farm Service Agency (FSA) and to AIPs, their insurance agents and loss adjusters, for information associated with their insured producers and only with regard to such policies); and (9) To appropriate agencies, entities, and persons when: (a) USDA suspects or has confirmed that the security or confidentiality of information in the system of records has been compromised; (b) USDA has determined that as a result of the suspected or confirmed compromise there is a risk of harm to economic or property interests, identity theft or fraud, or harm to the security or integrity of this system or other systems or programs (whether maintained by the Department or another agency or entity) that rely upon the compromised information; and (c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with the Department's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm.

Furnishing other information is also voluntary. However, failure to report the information specified in your policy may result in rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; a unilateral determination of any monetary amounts due; or any remedy provided in the policy.