

United States Department of Agriculture

Risk Management Agency

Beacon Facility – Mail Stop 0812 PO Box 419205 Kansas City, MO 64141-6205

November 25, 2008

INFORMATIONAL MEMORANDUM: PM-08-060

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: Policy Changes Mandated by the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill)

The Risk Management Agency (RMA) has revised policy provisions to incorporate changes mandated by the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill), which are effective for the 2009 and succeeding crop years for all crops with a contract change date on or after November 30, 2008, and for the 2010 and succeeding crop years for all crops with a contract change date prior to November 30, 2008. The changes reflect an Interim Rule published in the <u>Federal Register</u> on November 24, 2008.

The following updated materials will be available on the RMA Web site by the close of business today:

- A new Catastrophic Risk Protection Endorsement (09-CAT)(Nov. 2008) placed on the RMA Web site at: <u>http://www.rma.usda.gov/policies/2009policy.html</u>.
- A new Farm Bill Amendment (09-Farm Bill) placed on the RMA Web site at: <u>http://www.rma.usda.gov/policies/2009policy.html</u>. The Farm Bill Amendment amends the Common Crop Insurance Policy Basic Provisions, Crop Revenue Coverage Insurance Policy Basic Provisions, Revenue Assurance Insurance Policy Basic Provisions, Group Risk Plan of Insurance Basic Provisions, Group Risk Income Protection Plan of Insurance Basic Provisions (GRIP), and the Income Protection Plans of Insurance.
- In addition to the policy materials, RMA has placed a list of maps with counties identifying the Prairie Pothole National Priority Area on the RMA Web site at: http://www.rma.usda.gov/data/pothole/index.html. The Prairie Pothole National Priority Area consists of specific counties within the States of Iowa, Minnesota, Montana, North Dakota or South Dakota. Certain provisions in the 2008 Farm Bill provide, that at the election of the Governor of a State designated within the Prairie Pothole National Priority Area, native sod acreage located in a county contained within the Prairie Pothole National Priority Area that is tilled for the production of an annual



crop after May 22, 2008, will be ineligible for crop insurance during the first 5 crop years of planting.

Insurance providers must notify policyholders of these changes at least 30 days prior to the cancellation date as required by the contract change section of the policy.

DISPOSAL DATE:

This Informational Memorandum is for the purpose of transmitting/updating information and the disposal date is December 31, 2008.