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Agriculture

Farm and Foreign  
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**DATE:** August 9, 2012  
**TO:** Board of Directors  
Federal Crop Insurance Corporation  
**FROM:** William J. Murphy /signed/  
Manager  
**SUBJECT:** Manager's Report  
Exhibit No. 4085

This document is the Manager's Report to the Federal Crop Insurance Corporation Board of Directors meeting on August 9, 2012.

### **Product Management Update**

**New Price Discovery Application-** The Actuarial and Product Design Division (APDD) is redesigning the Price Discovery application that provides prices and volatility factors for the revenue based insurance offers. The public reporting features of the new application will include a modern layout, user tools, the ability for handling data, and eventually be accessible by mobile phone application. The initial version of the website will be launched in late August 2012 in a 'Public Test' format. Instead of building the entire application and launching a finished product, RMA will roll out tools over time with a feedback page allowing public users to provide input about what information they would like to be able to see and what works or does not work. Internal features of the application will be built to improve the reliability, timeliness and overall efficiency for RMA to manage and administer an increasing number of crop revenue programs.

**Drought Questions and Answers:** RMA has received many drought related questions from producers and Approved Insurance Providers (AIPs). To assist in answering these questions, RMA has developed a document "2012 Drought Questions and Answers." This document is available on the RMA Website.

**Acreage Crop Reporting Streamlining Initiative (ACRSI):** RMA continues to work on the ACRSI project developing streamlined acreage reporting across USDA programs. This works includes on-line self-service tools for producers. Agencies participating in the ACRSI include RMA, FSA, NRCS, and NASS. For the 2013 crop year, all location identifiers (states and counties) meet the ANSI standards, acreage-reporting dates have been made the same between agencies, a data governance process has been put in place to maintain the new common data standards, and the first phase of the on-line acreage-reporting tool will soon become available on a limited pilot basis.



In addition, work is continuing to standardize the business and entity types that can be reported, develop procedures to use the Common Land Unit (CLU) as the standard for land identification nationwide, determine the necessary production data for all agencies, and to create common commodity names and codes.

**Rainfall and Vegetation Index Programs:** On July 30, RMA issued 2012 crop year final grid indices and payment calculation factors for Apiculture and Pasture, Rangeland, Forage. This release covered the May through June period for the Rainfall Index program and the April through June period for the vegetation index program.

**Financial and Operational Oversight:** RMA performs National Financial and Operational Review's (NFORs) to oversee program integrity. NFORs determine the financial stability of Approved Insurance Providers (AIPs) and evaluate AIP's operations to assure they meet requirements in the Standard Reinsurance Agreement (SRA). RMA performed six NFORs during FY2011 and is in the process of performing six NFORs during FY2012. For Reinsurance Year 2013, RMA evaluated 16 Standard Reinsurance Agreement Plans of Operation RMA evaluated 11 Livestock Reinsurance Agreement Plans of.

**Fostering Relationships with the National Association of Insurance Commissioners (NAIC) and State Insurance Regulators:** RMA works with NAIC and state insurance regulators to share information and recently received access and training on the NAIC's Internet State Interface Technology Enhancement (ISITE) system which is where the NAIC keeps data from insurance companies. RMA was able to include this data in the annual and quarterly financial analysis process this year.

### **Regulations:**

**Florida Citrus-** The proposed rule was published on July 16, with the comment period ending on August 15. The proposed rule revises the settlement of claims section of the policy and updates terms to be consistent with the ACRSI project. The final rule will be published no later than the January 31, 2013 contract change date in order to be effective for the 2014 crop year.

**Prunes** – The final rule work plan was designated as not significant on May 1. The final rule will be published in November 2012.

### **REGIONAL OFFICES (RO)**

#### **Drought Conditions**

June 25, the St. Paul Regional Office (RO) issued a press release after the heavy rain events that impacted Duluth, MN, reminding producers to notify their crop insurance agent when crop losses are expected. On July 13, the St. Paul RO issued a press release and Drought Frequently Asked Questions Fact Sheet, regarding Upper Midwest Drought Conditions with basic crop insurance reminders. Since drought conditions are likely to persist, Aflatoxin is expected to be more prevalent at harvest. The St. Paul RO is updating Aflatoxin fact sheet for the RMA web. There has been 5 Aflatoxin fact sheets posted to date and a national fact sheet is expected soon.

On July 18, the St. Paul RO participated in both the Wisconsin and Iowa State Emergency Board meetings. The St. Paul RO reminded participants to caution producers planning to cut corn for silage, as producers must contact their insurance agent before taking any action. With grazing conditions deteriorating, many requests are coming to FSA to release CRP for grazing and haying. Wisconsin livestock sale barns are experiencing cattle coming to market double that of previous years. In the past three weeks, the St. Paul RO has received approximately 100 large claim notices for drought affected corn. Producers are seeing yield expectations in the same field varying widely from good grain development to acres without pollinated ears, which is being cut for silage. The difference in yield expectations is mostly dependent on soil water holding capacity.

### **NCIS Committee Meetings**

On June 5, a Billings RO Senior Risk Management Specialist attended an NCIS committee meeting in Fargo, ND. The topic was prevented planting and implementation of the 2012 Special Provisions statement in the Prairie Pothole Region. There is a lot of misinformation about eligibility of acreage for prevented planting. One misconception is that if acres were planted in 2008 it qualifies the acreage for prevented planting without a cause of loss. North Dakota has experienced a warm and dry fall, winter, and spring. Normal spring rains have filled the potholes due to the subsoil moisture level being so high. The Billings RO also visited the ND State FSA office to discuss issues.

On June 14, a Billings RO Senior Risk Management Specialist attended the South Dakota NCIS committee meeting in Huron, SD. The purpose was to discuss prevented planting in 2012 and the fact that the Special Provisions statement in the Prairie Pothole Region States has six criteria for eligibility. There is a widespread belief that if acreage was planted in one of the last four years, it is eligible in 2012. Total prevented planting acreage in South Dakota in 2008 was less than any year since prevented planting became part of the Common Crop Insurance policy provisions due to the fact that it was an abnormally dry year. If acreage can only be planted in an abnormally dry year, that year would not be used to satisfy the one in four requirements. The RMA point of contact from the South Dakota State FSA also attended the meeting.

### **Ethanol Producers and Consumers (EPAC) 22<sup>nd</sup> Annual Conference**

On June 25, the Billings RO Director spoke at the 22<sup>nd</sup> Annual Ethanol Conference in Billings, MT. The conference was sponsored by Ethanol Producers and Consumers (EPAC), a non-profit national organization that conducts educational and promotional activities concerning renewable energy sources such as ethanol and bio-fuels. The EPAC advocates for balanced development of clean energy and co-product production and consumption that stimulates rural economic activity. The conference provided a forum to educate participants about technological advances in the processing industry; the newest components and equipment utilized by present and proposed processing plants throughout the world, overcoming legal obstacles when building a plant, marketing, financial resources and distribution strategies. The primary focus of this conference centered on the opportunities for advanced biofuels that are available in this area of North America. Crops such as oil seeds and small grains can be raised on farms and processed into ethanol and jet fuel. The Billings RO Director provided an update on the new camelina crop insurance program. Other speakers addressed a variety of issues surrounding biofuels such as new processing methods, fuel performance, marketing, diverse types of feedstock such as

barley, camelina, cellulosic materials and hydrocarbon producing fungus. Approximately 50 individuals from various states in the U.S., Canada, England and France participated in the conference.

On July 31, the Billings RO hosted a teleconference with Approved Insurance Providers (AIP) claims managers, field supervisors and adjusters to discuss prevented planting issues in the Prairie Pothole Region (PPHR) States. Roll call was taken by participating AIP's with all AIP's doing business in the Billings Region. More than 100 individuals participated. The call opened with clarification by the RO that nothing said by an RMA employee during the call would in any way alter policy or procedure as stated in the preamble of the Common Crop Insurance Policy. The call was initiated by the RO in response to the increased number of calls concerning 2012 prevented planting loss adjustment from AIP's, loss adjusters, and agents in the Dakota's. The call was an attempt to answer prevented planting questions, not call by call, but to a wide range of interested parties and to address a rumor that RMA was going to change prevented planting for the 2012 crop year. The RO reiterated that while a clarification was recently issued and there may be additional memos released, they are based on current policy and procedure and are not changes to policy or procedure. The discussion included the 2012 Special Provision Statement applicable in the PPHR, the prevented planting handbook, the prevented planting bulletins, memorandum, and Final Agency Determination which are all a part of prevented planting loss adjustment.

### **Pasture, Rangeland and Forage (PRF) Insurance**

Improvements are being made to the Pasture, Rangeland and Forage (PRF) crop insurance pilot program. Pasture Rangeland and Forage (PRF) insurance has been expanded to the eastern half of North and South Dakota. The participation has declined significantly in the past two years. Producers have commented the program does not accurately reflect the losses the producers have experienced on the ground. To make the Vegetative Index (VI) product more responsive, changes have been made to improve the program. Most significantly a "Total Loss Factor" has been implemented to accelerate payments to producers and to make a total indemnity payment when the vegetative index reaches 30% of normal for a grid. However, the addition of the Total Loss Factor has significantly increased the premiums for PRF-VI. To make the Rainfall Index (RI) more responsive, RMA has switched to a new rainfall data set from the Climate Prediction Center that utilizes satellite and radar data to increase the reliability of the rainfall data in areas where the data collection points are scarce. Policyholders may now receive a claim payment from their Pasture, Rangeland and Forage crop insurance as well as a USDA-Farm Service Agency (FSA) Non-Insured Disaster Assistance Program (NAP) payment on the same acres for the same intended use. Producers can now purchase a PRF insurance policy and NAP coverage and earn an indemnity and a NAP payment the same year.

### **Dry Peas – Lentil Rotation Requirements**

Growers in northeastern Montana have requested RMA to relax the lentil rotation requirement from a two year out rotation to a one year out rotation. RMA and the Northern Pulse Growers Association (NPGA) board of directors are concerned that disease will build up if rotation is relaxed and recommended that more data be presented before rotation statements are changed. University Extension Plant Pathologists are currently recommending at least a two year out rotation and prefer a three year out rotation because

diseases were on the increase in the 2011 crop year. The NPGA Board recommends RMA keep the current two year out lentil rotation statement.

## **Drought and Crop Updates**

### **Irrigation Issues**

In the 2011 crop year, many producers found that their irrigation water supply was not adequate to supply the amount of water needed to sustain their cotton crops. By attempting to salvage their crops, producers applied large amounts of water to their crop which depleted some water wells. Other producers chose to divert water according to Par. 88 of the Loss Adjustment Manual.

For 2012, the burden remains for all producers to determine if adequate water supply will be available to successfully produce an irrigated 2012 cotton crop. Some producers will not be able to plant as many irrigated acres as they have in the past due to irrigation supply limitations and current drought conditions. Many reservoirs and river systems throughout Texas have limited or eliminated the amount of water supplied for agricultural use in 2012. Producers must plan accordingly based on information received from their water districts. Prevented planting or converting to a non-irrigated practice, due to loss of irrigation, may be the only option for some producers.

In the Texas Panhandle, several ground water districts have begun setting limits on the amount of irrigation water a producer can use from any given well. For 2012, these irrigation water limits should have little effect on the irrigation practices of most cotton producers but could affect producers in the future as the allotted amounts are further reduced. Some producers will not have enough water available from a particular site to use their ground water district allotment.

The Jackson Region has experienced a significant amount of variance across the region with regard to drought and crop damage caused by the drought. For the most part, Louisiana and Mississippi has received adequate rainfall during the 2012 crop year. The latest National Agricultural Statistics Service (NASS) Crop Progress and Condition Report for Mississippi rates 68% of the corn crop as Good or Excellent; 71% of the cotton crop as Good or Excellent; and 66% of the soybean crop as Good or Excellent. The latest NASS Crop Progress and Condition Report for Louisiana rates 79% of the corn crop as Good or Excellent; 65% of the cotton crop as Good or Excellent; and 64% of the soybean crop as Good or Excellent. The U.S. Drought Monitor indicates a significant portion of Arkansas is experiencing severe to exceptional drought but crop damage has been mitigated largely due to the high number of acres under irrigation. The latest NASS Crop Progress and Condition Report for Arkansas rates 61% of the corn crop as Good or Excellent; 61% of the cotton crop as Good or Excellent; and 48% of the soybean crop as Good or Excellent. Kentucky and Tennessee seem to be the states most affected by drought in the region with Kentucky being the most affected state. Severe and exceptional drought conditions, particularly in the row crop intensive western regions of both states, coupled with relatively few irrigated acres has caused significant crop damage. The latest NASS Crop Progress and Condition Report for Kentucky rates 94% of the corn crop as Fair, Poor, or Very Poor; and 82% of the soybean crop as Fair, Poor or Very Poor. The latest NASS Crop Progress and Condition Report for Tennessee rates 84% of the corn crop as Fair, Poor, or Very Poor; and 58 % of the soybean crop as Fair, Poor or Very Poor.

### **Oklahoma Irrigation Issue**

Southwestern Oklahoma cotton producers who have used water from Lake Altus to irrigate their cotton are finding that water is not available for the 2012 growing season. The Oklahoma City RO has been working with AIP's on questions concerning the lack of irrigation water and producers who continued to plant irrigated cotton crops despite significant cuts in water supply. Producers have the burden to determine if an adequate water supply will be available to sustain their crops. Last year many producers in this region were forced to either divert their irrigation supply in order to sustain crops or abandon crops due to shortages of irrigation water.

### **Oklahoma Aflatoxin Corn**

The Oklahoma City RO is receiving early reports that aflatoxin may be a problem for corn producers in Oklahoma. In response the Oklahoma City RO has updated our regional aflatoxin testing facility fact sheet and have begun contacting grain handling facilities to determine the market availability for aflatoxin corn.

### **IL, IN, MI, and OH**

The drought has significantly impacted corn and soybean crops in the region of Springfield RO. In locations classified as D4 Drought - Exceptional, via the Drought Monitor, 100% crop losses for corn are common. In this same area, Extension experts anticipate bean yields averaging 50% less and decreasing each day that rain is not received. The RO has, or will have, participated in 16 drought meetings throughout the Region. A drought fact sheet has been developed and published. A fact sheet on Aflatoxin, a major concern in the corn crop, has been updated and is awaiting approval.

### **Drought in Valdosta Region**

The Valdosta RO continues to monitor the crop conditions in the portions the region in AL, SC, GA, and FL affected by drought. This region has experienced intermittent rainfall and the crops are continuing to be irrigated.

### **Drought in Topeka Region**

The extraordinary drought in Colorado, Kansas, Missouri and Nebraska, continues to dominate activities in the Topeka RO. On July 25, Topeka RO Director Rebecca Davis participated in a Drought Video Conference Roundtable hosted by Kansas Senator Pat Roberts, and Kansas Governor Sam Brownback. Other participants in the conference included Secretary Dale Rodman, Kansas Department of Agriculture, and Directors of other USDA and Kansas Agriculture Agencies. Additionally, July 24-25, RMA Administrator Bill Murphy, and Topeka RO Risk Management Specialist Greg Oetting, toured drought stricken counties in Missouri. The Missouri Drought Tour included several farm field visits with producers between St. Louis and Kansas City. Producers were given an opportunity to share their thoughts and concerns with top RMA and FSA officials regarding this year's severe drought.

Prospects for a sudden turnaround in growing conditions appear bleak. According to the latest Drought Monitor (July 24), over 70% of the Topeka region is under extreme or exceptional drought conditions, up from 32% just four weeks ago. Top soil moisture is 95%+ short to very short in Kansas, Missouri, and Nebraska, and nearing 90% in

Colorado. And in August, precipitation is forecast to be below normal and temperatures above normal.

In response to frequent inquiries from producers and Insurance company personnel, Topeka RO has taken several measures, including:

- Updated and distributed FAQs on the current drought, which included information on the diversion of water for irrigators.
- Continued to work with University Extension in Colorado and Kansas on documentation of good irrigation management practices for ceasing and diverting irrigation water
- Missouri Department of Agriculture updated its aflatoxin test billing procedures which should alleviate many frustrations experienced by insurers last year.
- Updated and posted aflatoxin testing facilities fact sheet

### **Initial Planting Dates for Corn and Soybeans**

The Springfield RO has reviewed and made recommendations to change initial planting dates for corn and soybeans throughout the entire region. The RO used NASS data, frost/freeze data, Extension experts and other resources to make these recommendations.

### **Program Improvements**

Davis Regional Office implemented several changes to improve the effectiveness of the crop insurance programs in the region. The implementations included:

- Extending the end of insurance dates for late harvested table grape types by fifteen (15) additional days. The dates moved from November 15 to November 30.
- Added two (2) new figs types Sierra and Tena.
- Added nine (9) new stone fruit varieties.
- Updated the stage guarantees for the fresh market tomatoes in California via an SPOI statement. The changes reflect the current cultural practices in California given the changes to transplant and drip irrigation methods.

To address and reduce vulnerability in the small grains program for California, the Davis RO implemented a new special provision statement. The statement will prevent producers from insuring their hay crop under the small grain program.

### **Outreach and Education**

Davis RO met with Mark Murai, President of the California Strawberry Commission via teleconference to discuss the ARH-Strawberry Pilot program. Discussion included the current grower participation rate, clarification of the crop provision, and establishment of a stronger collaboration for outreach and education to strawberry growers regarding the crop program. There were only five policies sold; both RMA and the Strawberry Commission hope to increase producer awareness and understanding of the new pilot program.

### **Clam Pilot**

In Florida there is one AIP selling and servicing the clam program. The Valdosta RO has met with the AIP and RMA's policy branch to discuss issues concerning the Clam Inventory Value Reports (CIVR) and revisions to CIVR.

### **Electronic Regional Office Exceptions**

The 10 RO's have continued to develop the Exceptions Extranet Pilot Program as 2012 written agreements and other exceptions are processed. This is a system that allows insurance companies to transmit requests for exceptions (written agreements, added land, yield determinations, nursery) to RO's through a SharePoint server versus through the mail. RO's process the exception request electronically, digitally sign the agreement or yield determination, and post back on SharePoint for a company representative to pick up. This saves huge amounts of time and money versus mailing, printing, etc. This is also a step toward the RO Exception ITM project when all requests will be processed electronically. The ITM system is planned to go into production for crop year 2014. Several enhancements have been made both in the system and through coordination with insurance companies and RO's. Approximately 8,705 or 33 percent of all 2012 actuarial requests have been processed through the Extranet pilot-up from 11 percent a year ago. Over 56 percent (1,489 of 2,643) of all yield determinations and 44 percent (345 out of 778) of added land requests have also been processed electronically. Twelve insurance companies are signed up in the pilot program and 10 have submitted requests electronically.

### **Heavy Rain/Flooding and Hail Update**

#### **Idaho and Washington State Disaster Areas – Heavy Rain/Flooding and Hail**

- Idaho: Heavy rain and hail storms during the week of July 16 have tallied a 34 percent crop loss throughout Nez Perce County, Idaho (making it eligible for Federal disaster aid). Ping-Pong sized hailstones damaged dry spring green peas, wheat, barley and other grains. Southeastern Idaho crops have also suffered due to a late spring and unfavorable growing conditions.
- Washington: A series of storms that rolled through much of Eastern Washington July 13-21 flattened alfalfa and wheat and damaged corn, grape vines, apples and destroyed cherry harvests in some orchards. Industry officials estimate about 30 percent of the state's apple orchards were damaged. This year's fresh apple crop could be reduced by 10 percent or more because of hail damage. Many fruit producers in affected counties carry Adjusted Gross Revenue Pilot and Lite policies (167 policies, \$86,274,276 total liability). Several orchards surround the Daroga State Park (Douglas County) which had over 200 trees destroyed by 80-90 mph winds and closed to the public (<http://www.parks.wa.gov/parks/?selectedpark=Daroga>). On July 23, Washington State Governor Chris Gregoire proclaimed a state of emergency for 16 Washington counties (Adams, Benton, Chelan, Douglas, Ferry, Franklin, Garfield, Grant, Jefferson, Kitsap, Kittitas, Klickitat, Okanogan, Pend Oreille, Walla Walla and Yakima) hit by a series of recent storms.

**Tropical Storm Debby** In June there was damage to crops in the northern Florida area affected by the heavy rains and flooding. The extent of damage for insurable crops being reported has not been excessive. This rainfall event alleviated the drought conditions that FL was experiencing. This storm also provided some needed rainfall in the far southeast portions of Georgia and South Carolina.

## **REINSURANCE SERVICES DIVISION (RSD)**

### **2013 Reinsurance Year Approved Insurance Providers**

The Reinsurance Services Division completed the approved insurance provider (AIP) Plan of Operations approval process for the 2013 reinsurance year on June 22. All of the 2012 AIPs were approved for 2013 reinsurance year, and XL Reinsurance America, Inc. which was an AIP from 2001 through 2011 returned to the program in 2013.

### **Compliance**

#### **Final Findings Issued Since the September 2011 Board Meeting**

Since the May Board meeting Compliance has issued final findings to reinsured companies for the following amounts: premium overstatements - \$676,137; indemnity overpayments - \$5,687,003; premium understatements - \$13,783; and indemnity underpayments - \$12,578. In addition, Compliance offices reported criminal recoveries - \$63,654; indemnity cost avoidance - \$66,252; and civil fines totaling \$10,000.

#### **Compliance Modernization**

NCIS Fall Update Meeting – Dr. Chris Daly, Director, PRISM Climate and Weather System, Oregon State University, made presentations at the NCIS 2013 Fall Update Meeting held July 24th and 25<sup>th</sup>. Compliance has opened the RMA PRISM Web Portal to Approved Insurance Providers to assist with underwriting and claims determinations and the response has exceeded initial estimates. Strategic Data Acquisition and Analysis staff provided a Program Integrity presentation focused on the Spot Check List scenarios used to identify the policyholders sent to the Farm Service Agency and the Companies for review. There was a data mining Steering Committee meeting held on July 25<sup>th</sup> following the Fall Update meeting. Due to the interest expressed about the Steering Committee's activities, the afternoon session was opened to all the Company Quality Control managers to discuss the progress of several quality control initiatives.

#### **Quality Control Activities**

##### **Center for Agribusiness Excellence (CAE) Crop Year 2011 Spot Check List (SCL) Results**

- CAE announced in July that the SCL program for last year reduced anomalous indemnities by an estimated **\$46 million**. FSA Notifications to Producers and/or field visits on indemnities greater than \$10 thousand (Upper Limit) resulted in the amount identified. The 2011 Lower Limit SCL had no observable effect for the year. Both the upper and lower lists used the same algorithms and probabilities.

2012 Apple Program Review – In July, the Eastern Regional Compliance Office completed this year's apple program review which involved three Approved Insurance Providers. RMA identified and has taken corrective action over the past couple of years to correct the issue of

apple policyholders insuring apples as “fresh” at higher price elections, when historically RMA identified that the apples seldom were used for anything other than “processing” that are insured at a lower price. Compliance identified the following as a result of this review:

- 61 policies were selected for review from six states (NY, VT, VA, NC, PA, & CT).
- 12 policies (20%) were found to have insufficient records to support fresh coverage.
  - 5 policies were corrected - changed from fresh coverage to processing.
  - Findings for corrections will be issued for the remaining seven policies.
  - Savings to the program will be identified as “cost avoidance.”

Tobacco Monitoring Program (TMP) Year-2 Participation – The Strategic Data Acquisition and Analysis Staff reported that of the 407 North Carolina tobacco policyholders from 2010 selected for review in 2011, only 309 (76 percent) were insured again for the same county/crop. The number of 2011 counties with TMP policyholders also decreased from 73 to 64. The 98 missing TMP policyholders accounted for almost **\$5.8 million** in 2010 indemnities. The TMP policyholders who did insure in 2011 showed a marked reduction in claims, presumably due to the monitoring efforts by the Eastern Regional Compliance Office. Although the targeted TMP indemnity *increased* by \$1.6 million, the percentage of the total TMP indemnity fell drastically from 32 to 16 percent, while the percent of TMP liability remained virtually unchanged. Based on the TMP policyholders’ claim rate in 2010, cost avoidance as a result of the monitoring program could be as much as **\$13.4 million**.

### **Tobacco Program Review**

U.S. Tobacco Forum Meeting – In the continued effort to advise tobacco crop insurance program participants of the damage that some tobacco policyholders are inflicting on the program, the Deputy Administrator for Compliance spoke to about 100 U.S. Tobacco Forum attendees in Raleigh, North Carolina on June 15. Similar to the earlier meeting hosted by the North Carolina Farm Bureau in March, we discussed the current concerns surrounding the tobacco insurance program and the potential actions RMA has already taken and intends to take to control the ongoing abuse. Meanwhile, Compliance continues to assist the Office of Inspector General with tobacco program investigations in North Carolina, South Carolina, Georgia, Kentucky, and Tennessee. RMA posts all press releases related to tobacco prosecutions by the Department of Justice on RMA’s public website.

### **Supplemental Revenue Assistance Program (SURE) Referrals**

As of July 31, the regional Compliance Offices have received 7,008 SURE referrals from FSA or about 150 more than was reported to the Board in the May report. Since FSA relies on crop insurance program data to calculate payments under SURE, FSA is in a position to discover reporting discrepancies while reviewing producer applications. Compliance is currently receiving referrals for the 2008, 2009, and 2010 crop year from FSA.