

June 5, 2009 United States Department of INFORMATIONAL MEMORANDUM Agriculture Risk Management TO: All Approved Insurance Providers Writing in the State of Missouri Agency Topeka **Regional Office** FROM: Rebecca Davis /s/ Rebecca Davis Director, Topeka RO 2641 SW Wanamaker Rd, Suite 201 Update on Actuarial Rates Resulting from Unrepaired Levees in SUBJECT: Topeka, KS Missouri 66614-4971 Telephone: (785) 228-5512 BACKGROUND Fax:

On February 10, 2009, an informational memorandum and accompanying maps were issued regarding the breached levees in Missouri. This memo cited the following statement found in the Special Provisions of Insurance (SPOI) for Corn, Grain Sorghum, and Soybeans:

Land flooded due to a breach in a levee resulting from prior year(s) flooding conditions is insurable. The applicable rate will be assigned based on conditions at the sales closing date. This land will be classified as the high risk area classification that results in the highest rate if the levee has not been repaired to prior specifications, or if the soil was damaged and was not restored to at least the same crop yield potential as prior to the flood event. The land will be classified as shown on the Actuarial Map if the levee is repaired to prior specifications and the soil has at least the same crop yield potential as before the flood.

AFFECTED AREA

The levee districts affected by the February 10 memo are:

Chariton County, Missouri (map provided): <u>Garden of Eden Drainage District Section 1 – Not Repaired</u> Garden of Eden Drainage District Section 3 - Repaired Clark County, Missouri: Gregory Levee District - Repaired Lewis County, Missouri: Gregory Levee District - Repaired Pike County, Missouri: Pike Grain #3 Levee District - Repaired



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Pike Grain #4 Levee District - Repaired Elsberry Levee District - Repaired Lincoln County, Missouri:

Elsberry Levee District - Repaired King's Lake Levee District - Repaired St. Charles County, Missouri:

Elm Point Levee District - Repaired Kuhs Levee District - Repaired

ACTION – For Unrepaired Levees

RMA has received confirmation from the United States Army Corps of Engineers that the breached levee along the Grand River in <u>Chariton County, Missouri</u>, was not repaired to "prior specifications" by the March 16th, 2009 deadline. Therefore, the Special Provisions Of Insurance statement referenced above will be in effect for the 2009 crop year in Chariton County, Missouri. The following Levee District remains unrepaired in Chariton County, Missouri:

Garden of Eden Drainage District Section 1

With the breached levee remaining unrepaired by the Sales Closing Date, the actuarial rates for the affected area (shown on the accompanying map) will be classified as CCC for the 2009 crop year for Corn, Grain Sorghum, and Soybeans.

If the breached levees are repaired ¹ :	Then:	RMA Action
Prior to Planting	Written Agreement Requests to reduce assigned premium rates may be submitted and considered by the Regional Office until the crop has been planted. To be eligible for consideration, the affected field(s) must not have been planted at the time the insured submits a request.	A shapefile illustrating the "Affected Area" on the accompanying maps is available for download from the RMA website as of March 18 th , 2009. DAS will validate acreage reports based on the attached maps and shapefiles.
After Planting	The Highest Map Area rate in the county will be applied to the land located on the accompanying maps as specified by the SPOI statement.	

1 - RMA will consider the breached levees "repaired to prior specifications" when the levees offer equal to or greater than the level of height protection that existed prior to the flood event.

The accompanying map will supersede the Chariton County, Missouri FCI-33 Actuarial Map for the 2009 crop year.

ACTION – For Repaired Levees

RMA has received confirmation from the United States Army Corps of Engineers that the breached levees along the Mississppi River in Clark, Lewis, Pike, Lincoln, St. Charles Counties and along the Grand River in the Garden of Eden Drainage District Section 3 in Chariton county have been completed to offer the same height protection that was existing prior to the 2008 flood. This meets the requirement of "prior specifications" that was defined as offering equal to or greater than the level of height protection that was existing prior to the flood event.

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With the breached levees being repaired prior to Sales Closing Date, the actuarial rates for Clark, Lewis, Pike, Lincoln, St. Charles Counties and Garden of Eden Drainage District Section 3 in Chariton County will be assigned according to the original published Actuarial Map Areas. Written agreements are not necessary to effect this action. The Data Acceptance System division will validate acreage reports based on the published actuarial maps.

For maps of the affected areas, please email: rsoks@rma.usda.gov.

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