

# 2014 IOWA ACTUARIAL UPDATE

## 11/30 FILING

**11/30 IA Crops: Combo Barley, Combo/ARPI Corn, APH Dry Beans, Dollar Forage Seeding, Combo Grain Sorghum, APH Green Peas, YBD Hybrid Seed Corn, APH Oats, Popcorn, APH Potatoes, Combo/ARPI Soybeans, APH Sweet Corn**

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**COUNTY CROP EXPANSION:** None

**COUNTY CROP DELETIONS:**

- GRAIN SORGHUM deleted from Adams, Appanoose, Clark, Crawford, Davis, Decatur, Harrison, Johnson, Mills, Monona, Montgomery, Pottawattamie, Ringgold, Shelby, Union, Van Buren, and Wayne counties.
- POPCORN deleted from Adair, Adams, Audubon, Boone, Cass, Cherokee, Dallas, Decatur, Hamilton, Page, Union, Wayne, and Webster counties.

**DATES:**

- Final Planting Date for ARPI corn is June 25, 2014 and for ARPI soybeans it is July 10, 2014.
- Production Reporting Date for ARPI Corn and Soybeans is February 15, 2015.

**RATES:**

- Full rate review done for BARLEY and new target rates established.
- Contract Pricing (CP) option has been added for most crops and is shown under the Rates tab in the Actuarial Information Browser (AIB). The CP option for most crops applies only to certified organic practices. Specialty types for corn and soybeans also have the CP option available for conventional practices.
- Premium rates for organic practices are now the same as conventional practice rates.
- High-risk land add-on rates reviewed and changes made in Dallas, Jasper, and Polk counties.

**STATEMENTS:**

- SOYBEANS:
  - Changed the Non-conventional practice statement on the Special Provisions to state that soybeans broadcast by any method and then incorporated will be insurable, not just those soybeans being broadcast using a boom-type spreader. This applies to the 31 counties in north central and northwest Iowa that have the Non-conventional practice.
  - In counties with the Non-conventional practice, the Special Provisions statement related to availability of written agreements for broadcast methods not insurable through the actuarial documents has been deleted. Written agreements will continue to be available for broadcast soybeans in counties without the Non-conventional practice.
- Contract pricing statement added to the Special Provisions of most APH (Plan 90) crops. Allows certified organic producers to use their individual contract price for the crop rather than the published RMA price election.
- New cover crop statement on the Special Provisions outlines that a crop following a cover crop may be insured if the producer follows the NRCS management and termination guidelines for the cover crop.
- New statement added to the Special Provisions stating no insurance is available for a second crop if a hay crop is harvested or if the first crop (other than a cover crop) reaches the heading or budding stage before it is terminated. A request to insure the second crop can be made if three years of double-cropping records are provided.
- Changes were made to the Special Provisions statement regarding prevented planting determinations.
- The Special Provisions statement in seven Missouri River counties related to breached levees has been removed.

**TYPES/PRACTICES:**

- HYBRID CORN SEED:
  - Irrigated and Non-irrigated practices replace the “No Practice Specified” in all counties.

- CORN:
  - High Amylase type added to all remaining counties for Combo Plans 01, 02, and 03 that didn't have the type insurable for 2013.
  - ARPI plans for CORN have "Grain" and "Seed" types insurable. The "Seed" type will be insurable only in those counties that also have a Plan 55 Hybrid Corn Seed program available.
- SOYBEANS:
  - ARPI plans for SOYBEANS have only the "Commodity" type insurable. No specialty soybean types are insurable under ARPI soybeans.

#### **T-YIELDS:**

- T-Yield review completed for BARLEY.
- T-yields for organic practices have been set at the following percentages of the conventional T-yields:  
Barley – 80%, Corn – 70%, Dry Beans – 65%, Grain Sorghum – 65%, Green Peas – 70%, Oats – 95%, Popcorn – 70%, Potatoes – 80%, Soybeans – 65%, and Sweet Corn – 70%.

#### **MAPS:**

- Allamakee County: The actuarial map in the county will apply to green peas for 2014, and the High Risk/Map Area Rates table has been added to green peas under the Rates tab of the AIB.
- Boone County: New actuarial map identifying unrated area. Producers with land in unrated areas must request and receive a written agreement before insurance will be available.
- Dallas County: Added unrated land area and changed high-risk land boundaries. Producers with land in unrated areas must request and receive a written agreement before insurance will be available.
- Jasper County: Added unrated land area and changed high-risk land boundaries. Producers with land in unrated areas must request and receive a written agreement before insurance will be available.
- Polk County: Removed the CCC map area, and changed boundaries of the AAA, BBB, and unrated land map areas.

#### **OTHER:**

- The discount factors have been changed for crops with quality adjustment shown on the SPOIs.
- Trend Adjustment factors for corn and soybeans may have changed from 2013.
- The Special Provisions statement in seven Missouri River counties related to breached levees has been removed.
- DRY BEANS: 80 and 85 percent coverage levels have been added.
- HYBRID CORN SEED: County yields for organic practices have been set at 70% of conventional practice yields.
- SWEET CORN: New crop provisions provide for insuring processing sweet corn using the contract price rather than the RMA established price.
- Area Risk Protection Insurance (ARPI) has replaced GRP and GRIP plans. RMA has published an ARPI fact sheet: <http://www.rma.usda.gov/pubs/rme/arpi.pdf>. The plans of insurance under ARPI are Area Yield Protection, Area Revenue Protection, and Area Revenue Protection with Harvest Price Exclusion.
  - Under ARPI, no written agreements will be allowed for insuring popcorn, sweet corn, hybrid corn seed, or special purpose corn under the ARPI corn policy as was allowed under GRP and GRIP corn policies. Hybrid Corn Seed is insurable under the ARPI "Seed" type.
- Contract Price Addendum (CPA) published on the RMA website. The following is the link to the CPA: <http://www.rma.usda.gov/policies/2014/14cpa.pdf>