



November 13, 2015

United States
Department of
Agriculture

INFORMATIONAL MEMORANDUM

Farm and Foreign
Agricultural Services

TO: All Pacific Northwest Approved Insurance Providers

Risk
Management
Agency

FROM: Ben Thiel /S/
Director

Spokane
Regional Office

SUBJECT: Reinsurance Year 2016, Determined Yields for Category C Crops: Change in Practice or Production Methods – Acreage Transitioning from Certified Organic or Transitional Back to Conventional

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The 2016 FCIC 18010 Crop Insurance Handbook (CIH) paragraph 1838 identifies underwriting criteria, which triggers the selection of a policy for a Pre-Acceptance Inspection Report (PAIR). Furthermore, CIH Paragraph 1823 requires Approved Insurance Providers (AIP) to conduct PAIRs and to request a Regional Office Determined Yield. Specifically, when the insured has answered YES to the CIH questions in Paragraph 1823(2) of the Producer's Pre-Acceptance Worksheet (PAW) regarding situations where practices or production methods (e.g., "acreage transitioning from certified organic or transitional back to conventional") have been performed that will reduce the insured crop's production from previous crop years. The CIH provides regional offices (ROs) with the authority to issue RO Underwriting Guidelines regional exception(s) for the procedure described above. However, at this time the Spokane RO has not issued a regional exception for the above procedures.

ACTION:

For reinsurance year 2016, AIPs with policies in the Spokane region are to submit Determined Yields for Category C Crops: Change in Practice or Production Methods – Acreage Transitioning from Certified Organic or Transitional Back to Conventional to the Spokane RO.

DISPOSAL DATE:

December 31, 2016.