



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

INFORMATIONAL MEMORANDUM

TO: All Reinsured Companies
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Kenneth D. Ackerman /s/ Ken Ackerman 11-17-99
Administrator

SUBJECT: Global Imaging/Positioning System (GIS/GPS) Applications for the Federal Crop Insurance Program

Recently, several insurance providers requested Risk Management Agency's (RMA) position on the use of GIS/GPS systems to determine insured acreage. Some insurance providers have developed applications for the measurement of insured acreage using this technology and successfully demonstrated its performance to RMA personnel. The current loss adjustment standards permit the use of GIS/GPS technology to determine acres.

RMA has received several questions regarding the use of such technology to secure acreage report information for the purposes of establishing insurance coverage. Many of the questions surround providing GIS/GPS measurement services at no charge to the policyholder. Acreage reporting is a producer certification process, therefore these services are viewed as beneficial and an appropriate enhancement of service to the policyholder. This technology appears to increase the accuracy of the acreage reporting process.

RMA supports the further development of this technology and its potential applications for the delivery and service of risk management products for American farmers. RMA will review any potential barriers to the use of such services that may be caused by regulations and/or procedures. The use of GIS/GPS technology should be encouraged, not discouraged.



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The Risk Management Agency Administers and Oversees
All Programs Authorized Under the Federal Crop Insurance Corporation

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