



United States Department of Agriculture

Farm and Foreign Agricultural Services  
Risk Management Agency

**BULLETIN NO.: MGR-99-032**

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

**FROM:** Kenneth D. Ackerman /s/ Ken Ackerman 9-7-99  
Administrator

**SUBJECT:** Extended Application Period for Adjusted Gross Revenue (AGR) Policies

**BACKGROUND:**

For the 2000 Adjusted Gross Revenue (AGR) insurance year, the sales closing and cancellation dates are September 30, 1999, in Florida and November 20, 1999, in all other States. Sales closing dates are published on the AGR Special Provisions. The Risk Management Agency (RMA) has received requests from agents and reinsured company personnel in all three pilot areas to allow applications for new insureds and annual farm reports for carryover insureds to be taken at a later date. The annual farm report contains the historic revenue and intended commodity report from which coverage is determined.

Agents and companies have indicated that most growers of spring planted crops (the majority of AGR customers) will have a much better idea of what they are going to grow after January 1, than the preceding September or November because grower financing is generally finalized in January. This includes accrual balance sheets which indicate inventories, accounts receivable, accounts payable, planting intentions, and expected income. This information aids policyholders in completing the farm and inventory reports. Currently a report of inventories, if applicable, is due no later than January 31; therefore, aligning the sales closing date and inventory reporting date eliminates one reporting date.



1400 Independence Ave., SW • Stop 0801 • Washington, DC 20250-0801

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

An Equal Opportunity Employer

**ACTION:**

- 1 For the 2000 AGR insurance year, reinsured companies may accept new applications for AGR insurance and farm reports from carryover insureds through January 31, 2000. For succeeding years, RMA will consult with growers, reinsured companies, and other interested parties about whether the AGR sales closing dates should be permanently changed to January 31 of the insurance year.
- 2 Insurance providers may not accept requests for increased coverage from current insureds if (known) damage that is general in the area has occurred to commodities that produce allowable income.
- 3 Existing AGR policies may not be canceled or transferred to another insurance provider after the applicable cancellation date indicated in the AGR policy (September 30, 1999, or November 20, 1999).
- 4 For applications taken on or before January 31, 2000, coverage will begin January 1, 2000, or the date the application is accepted by the insurance provider, whichever is later.

**DISPOSAL:**

This bulletin is applicable for the 2000 AGR insurance year and the disposal date is December 31, 2000.