



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

BULLETIN NO.: MGR-00-020.2

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Kenneth D. Ackerman /s/ Kenneth D. Ackerman 8/25/00
Administrator

SUBJECT: Implementation of the Agricultural Risk Protection Act of 2000 (ARPA); Available
Price Election Percentages

BACKGROUND:

Questions have been asked regarding available price election percentages after the Federal Crop Insurance Act (Act) was modified by the Agricultural Risk Protection Act of 2000 (ARPA). Although some sections of the Act regarding price election percentages were changed by ARPA, section 508(c)(9) of the Act still requires that additional coverage be no lower than 50 percent of the recorded or appraised average yield indemnified at 100 percent of the expected market price, or an equivalent coverage. Therefore, in order to be an eligible additional coverage policy, the product of the price election percentage times the coverage level must be equal to or greater than 50 percent of the expected crop value.

ACTION:

The minimum price election percentages shown on the following table are applicable for the 2001 and following crop years for county crop programs with a contract change date of June 30, 2000, or later. For 2001 county crop programs with a contract change date earlier than June 30, 2000, minimum price election percentages will be determined in accordance with applicable producer premium percentage tables. The table applies only to additional levels of coverage and crop programs that permit price or price percentage elections less than 100 percent of the FCIC-published price. The Catastrophic Risk Protection (CAT) price election percentage is not changed.



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

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Coverage Level Percentage	50	55	60	65	70	75	80	85
Minimum Price Elec. Percentage	100	91	84	77	72	67	63	59

DISPOSAL:

This bulletin is for the purpose of transmitting information and the expiration date is December 31, 2000.