



United States
Department of
Agriculture

Risk
Management
Agency

Research
and
Development

P.O. Box 419293
Kansas City
Missouri 64141-6293

November 30, 1998

INFORMATIONAL MEMORANDUM: R&D-98-066

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt /s/ Tim B. Witt
Deputy Administrator

SUBJECT: 1999 Basic Provisions, Cotton and ELS Cotton Crop Provisions, Catastrophic Risk Protection Endorsement, Income Protection (IP) Crop Provisions, Crop Revenue Coverage (CRC) Policies and Related Documents, Revenue Assurance (RA) Policies and Related Documents

The Risk Management Agency (RMA) proposed changes to the Common Crop Insurance Regulations, Basic Provisions, and Cotton and ELS Cotton Crop Provisions in the Federal Register. RMA received comments to these proposed changes during the proposed rule comment period and has reviewed and responded to the comments, made revisions where appropriate, and published these regulations as final rules. An interim rule impacting some provisions of the Basic Provisions and the Catastrophic Risk Protection Endorsement has also been finalized. The IP Crop Provisions were revised to agree with the Basic Provisions and the Catastrophic Risk Protection Endorsement. Crop Revenue Coverage and Revenue Assurance policy documents have also been updated.

The new basic and crop provisions will be effective for the 1999 and succeeding crop years for all crops with a contract change date of November 30, 1998, or December 31, 1998, and for the 2000 or 2001 and succeeding crop years for all crops with contract change dates prior to November 30, 1998. Provisions of the new Catastrophic Risk Protection Endorsement are effective for crop insurance policies with a sales closing date after July 1, 1998. Crop insurance policies with a sales closing date prior to July 1, 1998, will not be affected by provisions of the new endorsement until the 2000 reinsurance year.

Today, RMA placed on the Reporting Organization (RO) Server the following Multiple Peril Crop Insurance and IP documents:

1. Revised Common Crop Insurance Policy Basic Provisions,
2. Cotton and ELS Cotton Crop Provisions,
3. Catastrophic Risk Protection Endorsement,
4. Income Protection Crop Provisions (Barley, Corn, Cotton, Grain Sorghum, Soybeans and Wheat)

In addition, RMA placed on the RO Server the following private products effective for 1999 spring crops:

1. CRC Basic Policy,
2. CRC Coarse Grains Crop Provisions,
3. CRC Commodity Exchange Endorsement - Coarse Grains,
4. CRC Coarse Grains Underwriting Rules,
5. CRC Corn, Soybeans, and Grain Sorghum Question and Answers,
6. CRC Cotton Crop Provisions,
7. CRC Commodity Exchange Endorsement - Cotton,
8. CRC Cotton Underwriting Rules,
9. CRC Cotton Questions and Answers,
10. CRC FCI-35 R-Span Base Rate Premium Calculation Worksheet. (This is a blank worksheet for computing CRC producer-paid premiums for spring crops other than Rice),
11. CRC High Risk Classification Premium Calculation Worksheet. (This is a blank worksheet for computing CRC producer-paid premiums involving High Risk Classification Premium Factor Rules and Formula for spring crops other than Rice),
12. CRC Rice Crop Provisions,
13. CRC Commodity Exchange Endorsement - Rice,
14. CRC Rice Underwriting Rules,
15. CRC Rice Questions and Answers,
16. Rice CRC FCI-35 R-Span Base Rate Premium Calculation Worksheet (This is a blank worksheet for computing CRC producer-paid premiums for Rice),
17. Rice CRC High Risk Classification Premium Calculation Worksheet (This is a blank worksheet for computing CRC producer-paid premiums for Rice),
18. RA Basic Provisions,
19. RA Corn and Soybean Crop Provisions,
20. RA Disclosure Statement,
21. RA Questions and Answers for corn and soybeans,
22. RA Underwriting Rules for corn and soybeans, and
23. RA Side-by-Side Comparison.

Please refer to the actual provisions for complete information. The policies are available on the RMA WebSite at <http://www.act.fcic.usda.gov/actuarial/index.html> under the FTP Download directory.

If you have any questions, please contact the Product Development Division at (816) 926-7387.

DISPOSAL: This informational memorandum is for the purpose of transmitting/updating information and the expiration date is December 31, 1998.