August 3, 2001

INFORMATIONAL MEMORANDUM: R&D: 01-039

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

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

SUBJECT: Crop Revenue Coverage for Irrigated Wheat in Nevada

BACKGROUND:

On July 19, 2001, the Federal Crop Insurance Corporation Board of Directors approved the expansion of Crop Revenue Coverage (CRC) to irrigated wheat in Nevada beginning with the 2002 crop year in counties where coverage is offered under the Multiple Peril Crop Insurance Program.

DISCUSSION:

The CRC Commodity Exchange Endorsement (01-CRC-CEE-Wheat (Ed. 5-18-00)) Portland Grain Exchange (PGE) pricing methodology that is currently applicable to wheat in California, Idaho, Oregon, Utah, and Washington will also be used for Nevada. This form, and other policy forms and documents, can be found at the Risk Management Agency website http://www.rma.usda.gov/policies/2001policy.html.

The Sales Closing Date for crop year 2002 winter and spring wheat in Nevada is October 31, 2001. The Special Provisions of Insurance for CRC wheat in Nevada includes a statement that amends Section IV of the Commodity Exchange Endorsement - Wheat so that the PGE can be used to determine Base and Harvest Prices. The Base Price for crop year 2002 will be announced by September 20, 2001. The low price factor and high price factor will be announced by September 10, 2001. Until then, a low price factor estimate of 0.449 and a high price factor estimate of 0.407 can be used for estimating premium.
If you have any questions on this, please contact David Clauser at (816) 926-7730.

DISPOSAL:

The disposal date of this memorandum is December 31, 2002.