



United States Department of Agriculture  
Farm and Foreign Agricultural Services  
Risk Management Agency

January 14, 2003

**INFORMATIONAL MEMORANDUM: R&D-03-002**

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

**FROM:** Tim B. Witt /s/ *Rodger M. Matthews*, for  
Deputy Administrator

**SUBJECT:** Nutrient Best Management Practice Endorsement to Crop Revenue Coverage and  
Multiple Peril Crop Insurance Materials Available

**BACKGROUND:**

On December 12, 2001, the Federal Crop Insurance Corporation's (FCIC) Board of Directors approved the Nutrient Best Management Practice (N-BMP) endorsement which was submitted by the Agricultural Conservation Innovation Center (ACIC) of the American Farmland Trust. The endorsement can attach to an underlying Crop Revenue Coverage (CRC) or Multiple Peril Crop Insurance (MPCI) policy.

The N-BMP endorsement is available in all counties in Iowa, Minnesota, Pennsylvania and Wisconsin for non-irrigated corn grown for grain. N-BMP provides insurance protection from crop production loss when a producer applies a rate of fertilizer (nitrogen, phosphorus or both) for maximum crop yield as recommended by a Best Management Practice (BMP). A certified crop consultant will recommend a BMP for the production area and crop to determine the amount of nitrogen and/or phosphorus to apply.

Producers interested in N-BMP should contact their crop insurance agent. The premium rate per acre, for the available States of Iowa, Minnesota, Pennsylvania and Wisconsin, is listed in the Actuarial Data Master record type K.



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

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The Risk Management Agency (RMA) premium calculator will be available on the RMA web site for general information purposes. To find the N-BMP premium calculator on the web-site:

Go to: Tools/Calculators  
Scroll to: Premium Calculation Software for 2000 and succeeding years (Online Version) - Calculate Premiums  
Click on: Calculate Premiums

**ACTION:**

The following N-BMP documents have been placed on the RMA website:

<b><u>Material</u></b>	<b><u>Comment</u></b>
CRC BMP Endorsement	<a href="http://www.rma.usda.gov/policies/2003policy.html">http://www.rma.usda.gov/policies/2003policy.html</a>
MPCI BMP Endorsement	<a href="http://www.rma.usda.gov/policies/2003policy.html">http://www.rma.usda.gov/policies/2003policy.html</a>
N-BMP Underwriting Rules	<a href="http://www.rma.usda.gov/policies/2003N-BMP.html">http://www.rma.usda.gov/policies/2003N-BMP.html</a>
N-BMP Handbook	<a href="http://www.rma.usda.gov/data/directives.html">http://www.rma.usda.gov/data/directives.html</a> (Under the directive No. 20040)
N-BMP Loss Adjustment Handbook	<a href="http://www.rma.usda.gov/data/directives.html">http://www.rma.usda.gov/data/directives.html</a> (Under the directive No. 20050)
Premium Calculation Instructions	<a href="http://www.rma.usda.gov/policies/2003N-BMP.html">http://www.rma.usda.gov/policies/2003N-BMP.html</a>

**DISPOSAL DATE:**

This Informational Memorandum is for the purpose of transmitting information and its disposal date is December 31, 2003.