



United States
Department of
Agriculture

Risk
Management
Agency

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Washington, DC
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BULLETIN NO.: MGR-08-007

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Eldon Gould /s/ *Eldon Gould* 4/30/2008
Administrator

SUBJECT: Termination of the Strawberry Pilot Crop Insurance Program

BACKGROUND:

The Strawberry Pilot Crop Insurance Program was approved by the FCIC Board of Directors (Board) for the 2000 - 2002 crop years in 21 counties in four states. The Board extended the Strawberry Pilot Crop Insurance Program in 2003 through the 2005 crop year, and again in April 2005 through the 2008 crop year. The program has been available in the same counties since the 2000 crop year.

In 2003, the Risk Management Agency (RMA) contracted for an evaluation of the Strawberry Pilot Crop Insurance Program. The evaluation indicated there was a concern with the Dollar Plan of Insurance design due to the inappropriate risk classification system that utilized a group-based insurance guarantee with individualized indemnification. After making certain changes to improve the program, the Board extended the Strawberry Pilot Crop Insurance Program through crop year 2008. In April, 2008, the Board determined no further extension of the Strawberry Pilot Crop Insurance Program was warranted and terminated the program.

ACTION:

The Strawberry Pilot Crop Insurance Program is terminated for the 2009 and subsequent crop years. To provide policyholders with an opportunity to review alternate risk management options, cancellation notices should be sent to all producers participating in this program at least 30 days prior to the cancellation dates of July 31, 2008 in California and August 31, 2008 in all other states. Further, no applications may be accepted for the 2009 crop year. If a reinsured company accepts an application or fails to timely cancel the Strawberry Pilot policy for the 2009 crop year, no reinsurance will be provided.



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

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Producers who participated in the Strawberry Pilot Crop Insurance Program should be advised about the availability of coverage under the Noninsured Crop Disaster Assistance Program (NAP) for which information can be found at the Farm Service Agency Website at: <http://www.fsa.usda.gov>.

Disposal Date:

This bulletin may be disposed of after December 31, 2008.