



United States  
Department of  
Agriculture

Risk  
Management  
Agency

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June 27, 2008

**INFORMATIONAL MEMORANDUM: PM-08-029**

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

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

**SUBJECT:** Catastrophic Risk Protection Endorsement and Group Risk Plan of Insurance  
Basic Provisions for the 2009 and Succeeding Crop Years

The Risk Management Agency (RMA) has placed the new Catastrophic Risk Protection Endorsement and Group Risk Plan of Insurance Basic Provisions on the RMA Web site at: <http://www.rma.usda.gov/policies/2009policy.html>. The Catastrophic Risk Protection Endorsement and Group Risk Plan of Insurance Basic Provisions are effective for the 2009 and succeeding crop years for all crops with a 2009 crop year contract change date on or after June 30, 2008, and for the 2010 and succeeding crop years for all crops with a 2009 crop year contract change date prior to June 30, 2008. These policy changes reflect regulatory changes made in a Final Rule which became effective on June 25, 2008, and will be published in the Federal Register on June 27, 2008.

The revisions contained in the Catastrophic Risk Protection Endorsement and the Group Risk Plan of Insurance Basic Provisions incorporate changes in the administrative fees for catastrophic risk protection mandated by the Food, Conservation, and Energy Act of 2008 (Farm Bill). Section 12006 of the Farm Bill requires that each producer pay an administrative fee for catastrophic risk protection (CAT) in the amount of \$300 per crop per county. Currently, the administrative fee for catastrophic risk protection is \$100 per crop per county. Further, that section expressly authorizes cooperative and trade associations to pay the administrative fee for CAT coverage under certain circumstances. Provisions have been modified to allow such associations to pay the CAT administrative fee.

Insurance providers must notify policyholders of these changes at least 30 days prior to the cancellation date as required by the contract change section of the policy.

**DISPOSAL DATE:**

This Informational Memorandum is for the purpose of transmitting/updating information and the disposal date is December 31, 2008.



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

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