

Durum Wheat Added As Separate Crop in Three States

USDA's Risk Management Agency (RMA) today released Manager's Bulletin MGR-04-006 in response to durum wheat growers' concerns regarding potential yield decline caused by separating spring and durum wheat actual production history databases. Growers have also indicated that crop rotations limit the ability to provide production records within the three-year record retention period in order to separate prior years' production.

At the request of durum wheat growers RMA modified the 2004 Small Grain Crop Provisions to recognize the difference in spring and durum wheat by adding durum wheat as a separate crop type in South Dakota, North Dakota, and Montana. Recognizing spring and durum wheat as separate crop types allowed each to be insured as a separate unit. The separation also allows for differing test weight factors for quality adjustment, and subsequently, any losses paid.

After discussions with insured producers, insurance agents, insurance providers and others, RMA has issued this Manager's Bulletin to clarify existing procedures, and in certain instances, to mitigate the impact on producers who may experience a decline in their approved yields for some units. Authorizing the use of a 10-percent yield limitation recognizes the transitional period of splitting existing databases as well as the crop rotations that are employed by many producers in these States. RMA believes these actions will assist in the transition to insuring durum and spring wheat as separate units, ensures consistent treatment of insured producers, and does not sacrifice program integrity or actuarial soundness.