



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

BULLETIN NO.: MGR-02-006.1

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

FROM: Ross J. Davidson, Jr. /s/ Ross J. Davidson, Jr. 05/28/02
Administrator

SUBJECT: Additional Price Elections for Certain 2002 Crop Year Crops

BACKGROUND:

On March 25, 2002, the Risk Management Agency (RMA) issued Manager's Bulletin No.: MGR-02-006 providing procedures for insurance providers to use in administering additional (sometimes referred to as market) price elections for certain 2002 crop year crops. With passage of the Farm Security and Rural Investment Act of 2002, the RMA is releasing additional price elections as shown below.

ACTION:

The RMA today announced additional (sometimes referred to as market) price elections for the 2002 crop year for canola/rapeseed, cotton, dry peas (Types 97 and 99)*, flax, grain sorghum, oats, peanuts, soybeans, and oil-type sunflowers. These additional price elections are the maximum 2002 crop year price elections for the crops or crop/types shown as follows:



1400 Independence Ave., SW \$ Stop 0801\$ Washington, DC 20250-0805

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

An Equal Opportunity Employer

	<u>Additional</u> <u>Price</u>	<u>Established</u> <u>Price</u>	CAT <u>Price</u>
	----- <u>Dollars Per Unit</u> -----		
Canola/rapeseed (lb)	\$0.096	\$0.093	\$0.0528
Cotton (lb)	\$0.52	\$0.50	\$0.29
Dry Peas* (lb)			
-Type 97 in MN, MT, ND	\$0.0633	\$0.06	\$0.0349
-Type 99 in MN, MT, ND	\$0.1194	\$0.11	\$0.0657
Flax (bu)	\$5.38	\$5.21	\$2.96
Grain sorghum (bu)	\$1.98	\$1.85	\$1.09
Oats (bu)	\$1.35	\$1.30	\$0.75
Peanuts (lb)	\$0.1775	N/A	\$0.0977
Soybeans (bu)	\$5.00	\$4.92	\$2.75
Sunflowers (oil type) (lb)	\$0.096	\$0.093	\$0.0528

* The Dry Pea policy insures four Types of dry peas. Only Types 97 (Smooth Greens and Yellows) and Type 99 Lentils) in MN, MT, and ND have an additional price for the 2002 crop year.

Due to elimination of the quota peanut program, the price election for all 2002 crop year peanuts shall be the additional price. These additional price elections are available per the provisions of Manager's Bulletin No.: MGR-02-006. However, an increase in the price election may impact eligibility for exclusion of hail and fire provisions for which the Federal Crop Insurance Act requires additional coverage equal to a minimum 65 percent coverage indemnified at 100 percent price election.

In accordance with Manager's Bulletin No.: MGR-02-006, insurance providers must act immediately to notify policyholders of these price changes.

DISPOSAL DATE:

This bulletin is for transmitting/updating information and the expiration date is December 31, 2002.