



United States Department of Agriculture

Farm and Foreign Agricultural Services  
Risk Management Agency

**BULLETIN NO.: MGR-01-012**

TO: All Reinsured Companies  
All Risk Management Agency Field Offices

FROM: Phyllis W. Honor /s/ Phyllis W. Honor 3-8-01  
Acting Administrator

SUBJECT: Policy and Premium Information for the 2001 AGR Cost-Share Program

**BACKGROUND:**

In accordance with section 133(b) of the Agricultural Risk Protection Act of 2000, the Risk Management Agency (RMA) announced a Cost-Share Program for Adjusted Gross Revenue (AGR) insurance for the 2001 crop year in eleven underserved States. This program was announced in Manager's Bulletin MGR-00-033 and provides for RMA to pay 50 percent of the producer's premium as well as the \$30 administrative fee for all eligible AGR policies.

RMA has earmarked \$2 million to implement this program for 2001. As with prior premium incentive programs, RMA must assure that the program operates within its authorized limits. As a result, RMA will closely monitor AGR sales in the target States. This will allow RMA sufficient time to request additional funds if AGR sales exceed forecasts.

Section 133(b)(2) provides that the total amount of Agricultural Management Assistance payments made to a person (as defined in section 1001(5) of the Food Security Act (7 U.S.C. 1308(5))) may not exceed \$50,000 in any year. Amounts paid by RMA for AGR premium cost-share assistance will be reported to other USDA agencies participating in the Agricultural Management Assistance program so that this limitation may be applied prior to issuance of cost-share payments by those agencies.

**ACTION:**

In order to be able to accurately and timely determine total expenditures for the AGR Cost-Share Program, RMA reminds all reinsured companies to submit all information specified in Manual 13 by the April accounting cut-off date (April 7, 2001) for all AGR policies in the States and counties listed in MGR-00-033.



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

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In addition, by April 27, 2001, all reinsured companies must submit to RMA a list of all AGR policies in the targeted States and counties for which record type 19 information was not accepted by Data Acceptance System (DAS) by the April accounting cut-off date. This list must contain the policy number and the additional subsidy amount (field 58 from record type 19) for each such policy.

The list must be submitted to:

Craig Witt, Director  
Risk Management Education Division  
USDA-RMA-RME  
1250 Maryland Avenue, SW  
Portals Building, 5<sup>th</sup> Floor, Suite 508  
Washington, D.C. 20024

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**DISPOSAL:**

This bulletin is effective until December 31, 2001.