

August 28, 2008

United States Department of Agriculture

INFORMATIONAL MEMORANDUM: PM-08-042

Risk Management

Agency

Beacon Facility Mail Stop 0812 PO Box 419205 Kansas City, MO 64141-6205

TO: All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

FROM: Tim B. Witt /s/Tim B. Witt

Deputy Administrator

Rainfall Index Basic Provisions, Vegetation Index Basic Provisions, SUBJECT:

> Insurance Standards Handbooks, Apiculture Pilot Program Crop Provisions, and Pasture, Rangeland, Forage Pilot Program Crop

Provisions - Effective 2009 and Succeeding Crop Years

BACKGROUND:

On July 26, 2007, the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) approved the implementation of a pilot plan of insurance for apiculture (API) under Section 508(h) of the Federal Crop Insurance Act. Apiculture producers are dependent upon weather and other environmental factors for plant and forage growth, which correlates to honey production. Apiculture insurance will be based on the same Rainfall Index (RI) and Vegetation Index (VI) methodologies and technologies which are currently utilized in the Pasture, Rangeland, Forage (PRF) program.

Concurrent with the development of the API pilot insurance program materials effective for the 2009 insurance year, new RI and VI Basic Provisions, and revised PRF Crop Provisions have been created, along with new Insurance Standards Handbooks for the RI Index plan and the VI Index plan. Appendices to these handbooks address API and PRF specific information.

The RI-API pilot program is available in select counties in Colorado, Pennsylvania, and South Carolina, as well as all counties in Alabama, Georgia, Idaho, Missouri, Montana, North Dakota, Texas, and Utah.

The VI-API pilot program is available in select counties in Colorado, Pennsylvania, and South Carolina, as well as all counties in Kansas, Minnesota, Nebraska, New York, North Carolina, Oklahoma, Oregon, South Dakota, Virginia, and Wyoming.



Producers interested in the Pasture, Rangeland, Forage, or Apiculture pilot insurance programs will need to contact a crop insurance agent and complete an application by the Sales Closing Date of November 30, 2008, which will be submitted through an approved insurance provider to RMA. RMA publishes a list of agents on its website at: http://www.rma.usda.gov/tools/agent.html

ACTION:

The following RI and VI pilot program materials effective for the 2009 crop year will be available by close of business today on the RMA Website at: www.rma.usda.gov/policies/ri-vi/

- RI Basic Provisions (09-RI),
- VI Basic Provisions (09-VI),
- RI-API Pilot Insurance Program Crop Provisions (09-RI-API)
- VI-API Pilot Insurance Program Crop Provisions (09-VI-API)
- RI-PRF Pilot Insurance Program Crop Provisions (09-RI-PRF)
- VI-PRF Pilot Insurance Program Crop Provisions (09-VI-PRF)
- RI Insurance Standards Handbook (FCIC-18130)
- VI Insurance Standards Handbook (FCIC-18140)

DISPOSAL DATE:

This informational memorandum is for the purpose of transmitting information and the expiration date is December 31, 2008.