

United States Department of Agriculture

Farm Production and Conservation

Risk Management Agency

Springfield Regional Office 3500 Wabash Avenue Springfield, IL 62711-8287 217-241-6600

### August 16, 2021

## INFORMATIONAL MEMORANDUM

**TO:** All Approved Insurance Providers Writing in the State of Michigan

FROM: Brian Frieden /s/ Director

SUBJECT: Crop Year 2022, Regional Underwriting Guidelines for Category C Crops in the Springfield Region

## **BACKGROUND:**

The 2022 FCIC 18010 Crop Insurance Handbook (CIH) provides the Risk Management Agency's (RMA) Regional Office (RO) the authority to issue RO Underwriting Guidelines (UG) for Category C crops as procedural exceptions for situations in their region.

The CIH, paragraph 1862, APH Database Tests for High Variability of Actual Yields, provides testing requirements designed to identify alternate bearing and downward trending for Category C crop yields. Damaging freeze and frost in 2019 caused widespread damage to Niagara type grapes in Michigan. This damage may inadvertently trigger certain databases for high variability adjustments. To expedite the approved Actual Production History (APH) yield process and decrease the number of requests for RO determined yields, the Springfield RO issues these UG for Niagara grapes in Michigan.

Effective for the 2022 crop year, these RO UG apply to Niagara (199) type grapes in Michigan.

## ACTION:

In Michigan, when a database for a Niagara (199) type Grape triggers an adjustment in accordance with CIH paragraph 1862 (E) Downward Trending Test, the Approved Insurance Provider (AIP) may exclude the 2019 crop year yield from the calculations. If the downward trending test results in 'no adjustment' when excluding 2019, the database must be identified with special case yield indicator "D" to show that downward trend criteria was met, but adjustments were waived by this RO UG. If applicable, Yield Adjustment (YA) is authorized and yield limitation flag will be "12" (YA surcharge of 1.05 applies). However, Yield Exclusion (YE) and Yield Cup (YC) are not applicable.

Please contact the Springfield RO at rsoil@usda.gov if you have any additional

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questions.

# **DISPOSAL DATE:**

August 31, 2022