

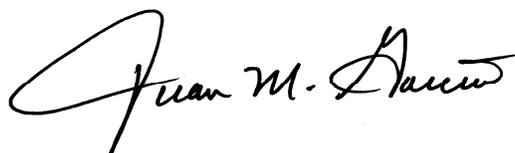
UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

**Supplemental Revenue Assistance
Payments Program
1-SURE**

Amendment 17

Approved by: Acting Deputy Administrator, Farm Programs



Amendment Transmittal

A Reasons for Amendment

Subparagraph 31 D has been amended to correct a paragraph reference for sugar beet stock owners.

Subparagraph 121.5 A has been amended to add a note and to clarify that starting with the 2010 crop year, NAP coverage cannot be obtained on a crop that is insurable in the county according to 1- NAP, paragraph 172.

Subparagraph 156 E has been amended to remove a paragraph reference.

Subparagraph 162 A has been amended to include Plan Code 45.

Paragraph 197 has been withdrawn.

Paragraph 198 has been added to provide procedure for closing the application process for 2009 SURE.

Subparagraph 201 D has been amended to correct a paragraph reference for COC assigned production and to clarify that unit structure changes are compared to the proceeding SURE year for integrity on the "SY" acre and yield and to clarify SY yields cannot be used for production on contract seed peas and beans.

Subparagraph 233 G has been amended to clarify that quality tests for warehouse stored grain at licensed warehouse facilities are valid tests for producer certification.

Subparagraph 292 B has been amended to clarify that RMA indemnities are not figured on FSA share when share discrepancies exist between FSA and RMA.

Exhibit 12, page 3 has been added to provide the 2010 SURE Plan/Coverage Code Chart

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31 Eligible Producers (Continued)**D Sugar Beet Shares**

Members of sugar beet cooperatives have shares that allow the member to plant a specific number of acres of sugar beets. These shares are specific to the member and **cannot** be leased to another producer. Instead, the cooperative requires the member, or estate when the member is deceased, to form a pool agreement or joint venture or limited liability partnership with the producer planting the member's shares. The cooperative further requires that the insurance policy be purchased under the individual grower of sugar beets or as a joint venture or limited liability partnership.

The RMA download provides an insurance record showing the insurance policy with the recorded producer as the individual grower of sugar beets or as a joint venture or limited liability partnership.

Since the member of the cooperative has **no** risk in the crop, FSA records will show the noncooperative producer using TIN listed as the producer of record for the sugar beets.

Producers meeting the criteria in this subparagraph are eligible for SURE providing **all** other program requirements are met. FSA-682 shall be processed for the producer listed on FSA-578. Process FSA-682 according to paragraph 326.

Note: Sugar beet stock owners who pool their shares with other growers, are eligible for SURE, provided their insurable interest is insured or insured by the sugar beet grower *-under the RMA policy rules. See subparagraph 35 K for these producers who have--* less than a 10 percent interest.

E Change in Ownership

A participant who lost control or ownership of the land with a disaster-affected crop during the growing season is ineligible to participate in SURE on the crops for which interest and ownership share was lost.

Participants who assume interest and ownership share through a transfer of indemnity for insured crops or transfers of coverage for NAP crops may assume eligibility for SURE. The crop transferred will be included in the successor's calculation of guarantee and revenue.

Any crop insurance indemnity or NAP payment made because of the transfer will be counted as revenue for the successor.

F Acreage Reporting

Producers who want to participate in SURE must report all crops, in all counties, in which they have an ownership share and risk. This includes crops on cropland and/or noncropland, including native or improved grass that will be mechanically harvested or grazed.

32 Crop Eligibility

A Definition of Farm

Farm means, for determining SURE eligibility, the entirety of all crop acreage in all counties that a producer planted or intended to be planted for harvest for normal commercial sale or on-farm livestock feeding, including native and improved grassland intended for haying.

Notes: For aquaculture, **except** for species for which an Aquaculture Grant Program payment was received, farm means all acreage used for aquatic species being produced in all counties that the producer intended to harvest for normal commercial sale.

For honey, farm means all bees and beehives in all counties that the participant intended to be harvested for a honey crop for normal commercial sale.

B Definition of Crop

Crop means all acres based on crop, type, and IU.

C Definition of Eligible Crops

Eligible crops means crops planted or prevented planted crops, types, IU's (excluding grazing), and practices:

- eligible for NAP according to 1-NAP
- for which Federal crop insurance is available.

Note: Eligible crops are crops that are planted or prevented from being planted, according to 2-CP, paragraph 24, with the intent of harvest.

D Pilot Programs

Producers are **not** required to purchase Pilot Program insurance coverage to meet RMPR.

IF a producer does...	THEN these acres will...
not purchase Pilot Program insurance coverage	not be included in the guarantee and revenue calculations.
purchase Pilot Program insurance coverage	be included in the guarantee and revenue.

E Acreage Reporting

Producers who want to participate in SURE **must** report all crops and IU's in all counties in which they have an ownership share and risk in the crop. This includes crops on cropland and/or noncropland, including native or improved grass that will be mechanically harvested
--or grazed.--

Part 5 Yields

121 General Information

A Overview

Each commodity on a farm that has eligible acreage must have a SURE yield established for the location county, crop, type, and IU. Eligible acreage includes:

- planted or prevented planted acreage of an eligible SURE crop
- taps for maple sap
- colonies for honey.

SURE yield is used in the crop guarantee and expected revenue calculations.

Value loss crops will not have a SURE yield established. Value loss crops include, but are not limited to:

- aquaculture
- Christmas trees
- nursery.

B Definition of SURE Yield

SURE yield means, for a county, crop/crop type/IU that:

- is insured, the higher of 100 percent of the weighted CC yield, or:
 - weighted adjusted APH yield
 - weighted CEY for crops with no RMA established yield
- is covered by NAP, the higher of 100 percent of the weighted CC yield or weighted adjusted yield
- met RMPR by requesting a waiver as SDA, LR, or BF, paid a buy-in fee, or relief was granted, the higher of 65 percent of the weighted CC yield or 65 percent weighted CEY.

Meeting more than 1 of the conditions in this subparagraph would allow the eligible crop to have more than 1 SURE yield if insurance is not provided for all farming practices or growing stages of the crop (paragraph 121.5).

Note: RMA will provide a guarantee basis for Group Risk Plan, GRIP, and PRF policies. These policies do **not** have an RMA weighted adjusted yield provided by RMA; therefore, the comparison to the weighted CC yield does **not** apply and SURE yield will **not** be determined.

C CC Yield

CC yield is established according to 1-DCP.

121 General Information (Continued)**D Weighting CC Yield**

For all farms in which the producer has an interest, the CC yield will be weighted based on the farm level base acres and farm level CC yield for the administrative State and county and crop, if established. CC yields are maintained for the crop's primary use.

Weighted CC yields will be converted to tons for corn FG (silage) and grain sorghum and dual purpose sorghum SG. The converted yield will be used in comparison and calculations for the SURE Program. SURE will use the conversion factors provided in 1-DCP.

Note: The weighted CC yield is provided on SIR, CC Yield Data Section, for crops for which FSA-578 was filed.

121.5 Adjustments to CC Yield for Special Conditions**A Overview**

CC yield adjustments may be applicable for eligible crops that have more than 1 SURE yield and there is a difference between the RMA APH yield and NAP approved yield, or assigned yield.

The special conditions include:

- full season soybeans that are covered by a policy or plan of insurance, but double-cropped soybeans are covered by NAP or waived-in
- summer fallow wheat is covered by a policy or plan of insurance, but continuous-cropped wheat is covered by NAP or waived-in.

***--Note:** This paragraph applies to crop years 2008 and 2009 only. It does not apply to 2010 and subsequent years because starting with the 2010 crop year, NAP coverage cannot be obtained on a crop for which CAT level coverage of insurance is available in the county, according to 1-NAP, paragraph 172.--*

Section 2 Data Elements

156 Data Elements Required to Calculate Crop Guarantee

A Insurable Yield-Based Crops

The following data elements are required to calculate a guarantee for each eligible **insurable yield-based crop on a farm**:

- eligible crop acres according to Part 4
- *--acres for hybrid seed will be based on female acres as provided by RMA in SIR--*
“ACRE” field
- SURE yield according to Part 5
- coverage level
- price
- price election
- adjustment factors
- producer share
- SURE multiplier.

Note: Insurable yield-based crops include insurable crops for which insurance coverage was purchased timely or for which a waiver was obtained.

B NAP Yield-Based Crops

The following data elements are required to calculate a guarantee for each eligible **NAP yield-based crop on a farm**:

- eligible crop acres according to Part 4
- acres for hybrid seed will be based on female acres from FSA-578
- SURE yield according to Part 5
- coverage level of 50 percent
- NAP price
- price election of 100 percent
- adjustment factors
- producer share
- SURE multiplier.

Note: NAP yield-based crops include NAP crops for which the administrative fee was paid timely or for which a waiver was obtained.

156 Data Elements Required to Calculate Crop Guarantee (Continued)**C Insurable Value Loss Crops**

Value loss crops are unique in that, unlike yield-based crops, there are no acres, yields, or prices used in calculating a guarantee.

The following data elements are needed to calculate a guarantee for each eligible **insurable value loss crop on a farm**:

- FMV-A
- coverage level
- price election
- adjustment factors
- producer share
- SURE multiplier.

Note: Insurable value loss crops include insurable crops for which insurance coverage was purchased timely or for which a waiver was obtained.

D NAP Value Loss Crops

The following data elements are needed to calculate a guarantee for each eligible **NAP value loss crop on a farm**:

- FMV-A
- coverage level for NAP (50 percent)
- price election
- adjustment factors
- producer share
- SURE multiplier.

Note: NAP value loss crops include NAP crops for which the administrative fee was paid timely or for which a waiver was obtained.

E SURE Multiplier

The SURE multiplier:

- is a factor applied to the SURE guarantee
- for insurable crops is 115 percent and for NAP crops is 120 percent
- is an element of the SURE guarantee that can be changed by Congress to either increase *--or decrease potential benefits of the SURE Program * * *.

157-160 (Reserved)

Section 3 Calculating Guarantee for Yield-Based Crops

161 Overview

A Formula

The general formula used to calculate a SURE guarantee for yield-based crops is:

Eligible Crop Acres x SURE Yield x Coverage Level x Price x Price Election x Adjustment Factors x Producer Share x SURE Multiplier.

There are several methods to calculate a guarantee for yield-based crops, based on the type of insurance policy a producer selects, NAP coverage, or waiver.

Note: RMA will provide a numeric plan code to easily identify the various plans of insurance for yield-based crops.

B Purpose

The purpose of this section is to:

- explain the various ways of calculating guarantee for insured yield-based crops regardless of the type of insurance policy elected by the producer
- calculate the guarantee for NAP yield-based crops
- calculate the guarantee for waived-in yield-based crops
- explain how to apply guarantee adjustment factors which reduce SURE guarantee for the crop.

162 Insured Crops

A Crops With an APH Yield

RMA will calculate an RMA Guarantee Basis for insured crops with an APH yield using all guarantee elements, with the exception of the SURE multiplier, based on a producer's crop insurance information.

RMA Guarantee Basis means a dollar amount that represents a portion of a crop's value that will be used to calculate a crop guarantee after all adjustments are applied throughout the insurance year based on a producer's insurance options.

The SURE Program guarantee for the crop will be the result of multiplying the RMA Guarantee Basis for the crop by the applicable SURE multiplier.

Some types of APH yield-based plans of insurance include, but are **not** limited to:

- Revenue Assurance (Plan Code 25)
- Income Protection (Plan Code 42)
- Crop Revenue Coverage (Plan Code 44)
- *--Indexed Income Protection (Plan Code 45)--*
- APH (Plan Code 90)
- Indexed APH (Plan Code 96).

Note: RMA policies with a Written Agreement Code of "SC" are considered Special Purpose Corn (for example, Blue Corn). The crop code must equal corn (0041) for these agreements. See subparagraph C and paragraph 308 for specific instructions on calculating a guarantee and expected revenue for these unique policies.

For a complete list of all RMA plan codes, see Exhibit 12.

Note: There are cases when ineligible insured acres are included in the RMA Guarantee Basis. County Offices shall adjust the RMA Guarantee Basis when ineligible acres are determined according to Part 4.

--Section 7 SURE Funding--

196 Implications of ARRA to 2008 Crop Year SURE Crop Guarantee**A Overview**

ARRA provided additional assistance to eligible producers under the SURE Program by increasing the coverage level and price election or the SURE multiplier, whichever is higher, used in the calculation of the crop guarantee. The original formula for calculating the SURE guarantee is:

Eligible SURE Acres x SURE Yield x Coverage Level x Price x Price Election x Guarantee Adjustment Factors x Producer Share x SURE Multiplier (115 percent for insured crops and 120 percent for NAP crops).

ARRA also authorized Buy-In 2 that allowed producers who did not timely purchase crop insurance or NAP coverage or take advantage of Buy-In 1, to pay a fee equal to the administrative CAT or NAP fee between February 17 and May 18, 2009, to meet the risk management purchase requirement. As a result, County Offices will be dealing with 2 groups of SURE participants for additional ARRA funding:

- **group 1** consists of crops where insurance or NAP coverage was purchased timely, producers who paid a buy-in fee before September 16, 2008, (Buy-In 1) or were granted relief for the Buy-In 1 deadline

Note: Producers who are considered SDA, LR, or BF will have their crops included in group 1.

- **group 2** consists of producers who paid a buy-in fee between February 17, 2009, and May 18, 2009, (Buy-In 2) or were granted relief by DAFP after the Buy-In 2 deadline.

Note: Crops that become eligible under Buy-In 2 will have their guarantees calculated using 70 percent coverage level, 100 percent price election, and the applicable SURE multiplier.

--196 Implications of ARRA to 2008 Crop Year SURE Crop Guarantee (Continued)--

B Insured Crop Guarantee Recalculations

For crops in group 1 that are insurable crops, ARRA allows the crop guarantee to be calculated based on the higher of the original SURE guarantee calculation with the exception of either of the following:

- SURE multiplier will be increased from 115 percent to 120 percent
- producer’s coverage level will be increased to 70 percent and the producer’s price election will be increased to 100 percent.

The following table provides the data elements within the original crop guarantee that may change because of ARRA funding.

ARRA Funding for Insured Crops			
	Coverage Level	Price Election	SURE Multiplier
Original	Producer Selected	Producer Selected	115 Percent
ARRA-1	Producer Selected	Producer Selected	120 Percent
ARRA-2	70 Percent	100 Percent	115 Percent

For crops in group 2 that are insurable crops, ARRA allows the crop guarantee to be calculated as follows:

Eligible SURE Acres x SURE Yield x 70 Percent Coverage Level x Price x 100 Percent Price Election x Guarantee Adjustment Factors x Producer Share x SURE Multiplier of 115 Percent.

The following chart provides the data elements that are applicable in calculating crop guarantee for crops for which Buy-In 2 provisions were elected.

ARRA Funding for Buy-In 2 Insurable Crops			
	Coverage Level	Price Election	SURE Multiplier
Original	N/A	N/A	N/A
ARRA-1	N/A	N/A	N/A
ARRA-2	70 Percent	100 Percent	115 Percent

Note: There is no original crop guarantee calculation since the producer would not have this crop included without ARRA and Buy-In 2.

--196 Implications of ARRA to 2008 Crop Year SURE Crop Guarantee (Continued)--

C NAP Crop Guarantee Recalculations

For crops in group 1 that are considered NAP crops, ARRA allows the crop guarantee to be calculated based on the higher of the original SURE guarantee calculation with the exception of either of the following:

- SURE multiplier will be increased from 120 percent to 125 percent
- producer’s coverage level will be increased to 70 percent from the current NAP coverage level of 50 percent.

The following chart provides a visual of the data elements within the original crop guarantee that may change because of ARRA funding.

ARRA Funding for NAP Crops			
	Coverage Level	Price Election	SURE Multiplier
Original	50 Percent	100 Percent	120 Percent
ARRA-1	50 Percent	100 Percent	125 Percent
ARRA-2	70 Percent	100 Percent	120 Percent

Note: The increase in coverage level to 70 percent will always result in the higher SURE benefit than the 5 percent increase in the SURE multiplier as shown in this table.

196 Implications of ARRA to 2008 Crop Year SURE Crop Guarantee (Continued)

C NAP Crop Guarantee Recalculations (Continued)

For crops in group 2 that are considered NAP crops, ARRA allows the crop guarantee to be calculated as follows:

Eligible SURE Acres x SURE Yield x 70 Percent Coverage Level x Price x 100 Percent Price Election x Guarantee Adjustment Factors x Producer Share x SURE Multiplier of 120 Percent.

The following chart provides a visual of the data elements that are applicable in calculating crop guarantee for crops for which Buy-In 2 provisions were elected.

ARRA Funding for Buy-In 2 Noninsurable Crops			
	Coverage Level	Price Election	SURE Multiplier
Original	N/A	N/A	N/A
ARRA-1	N/A	N/A	N/A
ARRA-2	70 Percent	100 Percent	120 Percent

Note: There is no original crop guarantee calculation since the producer would not have this crop included without ARRA and Buy-In 2.

197 (Withdrawn--Amend. 17)

--198 Closing the Application Process for 2009 SURE--**A Application Period Deadline**

*--The **deadline** for 2009 SURE Program payment FSA-682's was **COB July 29, 2011**. **There are no provisions for late-filed FSA-682's**. FSA-682's **must** have been filed by **July 29, 2011**, to be eligible for SURE payment consideration.

B Processing 2009 SURE Applications Received After Conclusion of 2009 Application Period

Actions permitted following receipt of FSA-682's submitted after the July 29, 2011,--* deadline include the following:

- filing the original FSA-682 containing signatures of producers dated after the end of the application period in the farm file
- not acting on, not approving, nor disapproving FSA-682.

*--County Offices will **not** discourage any producer from signing FSA-682 for the 2009 year at any time. **Except** as may be permitted under subparagraph D, FSA is **not** required to act on FSA-682's submitted after the July 29, 2011, deadline. Therefore, **except** as provided in subparagraph D, FSA offices and committees will **not** do any of the following:

- consider or render any sort of adverse decision or relief decision on FSA-682's for 2009 signed by anyone after the 2009 SURE program application period ended, **regardless--*** of the reason the individual or entity did not file FSA-682 before the application period passed
- forward any recommendation of approval of relief (**except** as may be provided in subparagraph D) for anyone who submitted FSA-682 after the application period passed
- provide any determination letter or other communication to the participant nor will the participant be afforded any right of appeal or appealability because FSA is making no decision on FSA-682.

--198 Closing the Application Process for 2009 SURE (Continued)*C Exception for Considering 2009 SURE Cases under Misinformation/Misaction or Programmatic Relief**

Producers are not entitled to the consideration of equitable relief under extra programmatic relief or misinformation/misaction provisions. Equitable relief and its consideration are discretionary. If a producer convinces COC and STC that the circumstances warrant programmatic relief consideration or that the producer detrimentally relied on some erroneous action, advice, or information of an authorized FSA representative that caused the producer to fail to timely file FSA-682 for 2009 SURE program benefits by the--* application deadline, COC and STC, as applicable, depending on facts in the case, may do either of the following:

- elect **not** to consider the matter and consider the matter closed

Note: This is **not** a denied relief decision. See subparagraph C.

- consider the matter and make an appropriate relief recommendation to DAFP to approve *--the 2009 FSA-682.--*

199-200 (Reserved)

201 Production (Continued)

C Producer Responsibilities

Each producer interested in obtaining a SURE payment must file FSA-682, provide accurate acreage and production reports, and provide an accurate certification of interests.

When filing FSA-682, the producer must furnish accurate information or certifications about any other assistance, payment, or grant benefit received for any of the producer's crops or interests on the farm, as defined for SURE, regardless of the crop or interest is covered in the farm's SURE guarantee according to paragraph 191. The producer's certification of interests will help FSA establish producer's eligibility.

FSA may assist producers with obtaining information on their interests in a farm, as of the date of certification, based on information already available to FSA from various sources. However, the producer is solely responsible for providing an accurate certification from which FSA can determine the producer's farm interests for the purposes of SURE.

As determined appropriate by FSA, the failure of a producer to provide accurate information or an accurate certification of interests as part of FSA-682 may render the producer ineligible for any SURE assistance. In general, producers are responsible for:

- providing accurate and complete information
- reporting the total amount of production for all SURE eligible crops on the SURE farm.

***--Note:** SURE eligible crops include all insurable or NAP coverable acres, regardless of whether insurance or NAP coverage was obtained. See examples in subparagraph E.--*

It is **not** COC's responsibility to determine a producer's amount of production. The producer must:

- retain and provide, when required, verifiable or reliable production evidence for all crops on the farm
- summarize all the production evidence
- account for all the crop's production for all eligible SURE crops of the SURE farm, (whether or not records reflect this production)
- provide the information in a manner that can be easily understood by COC.

Note: Regardless of the source of the production information or benefit data, SURE applicant is responsible and liable for any errors in reporting production as part of the FSA-682 process.

201 Production (Continued)

D Production for SURE

RMA will provide production data to FSA for policies that are based on production or a combination of production and revenue. RMA production data will be used, unless adjusted *--according to paragraph 205.--*

SIR will provide production data for NAP crops. NAP production data will be used, unless adjusted according to subparagraph F.

In all cases, SIR will provide, if available, the subsequent years:

- acreage used in calculating the subsequent year’s yield
- yield calculated using the producer’s certified production and acreage.

The following types of policies will have RMA production included on SIR (Exhibit 4):

- Revenue Assurance (Plan Code 25)
- Income Protection (Plan Code 42)
- Crop Revenue Coverage (Plan Code 44)
- Grower Yield Certification (Plan Code 86)
- APH (Plan Code 90)
- APH-Alternatively Rated (Plan Code 92)
- Indexed APH (Plan Code 96).

According to subparagraph C, it is the producer’s responsibility for reporting all production from all SURE eligible acreage, including **all** acreage that is insurable or NAP coverable. Producers shall be questioned whether all of their production has been accounted for from SURE eligible acreage, including when RMA sources are used for production reporting.

IF...	THEN...
loss record present	<p>RMA provides production on SIR through the “L” (Loss) Record. If it is determined that:</p> <ul style="list-style-type: none"> • all fields in the unit were covered by insurance, the loss record accounts for all the production <p>Example: FSA-578 acres were 158.2. RMA determined acres from the loss record were 155.0. Because there is an “L” (Loss) Record present, all the production is accounted for on the unit regardless of the difference between FSA reported or RMA determined acres. Producer states the production from the loss record accounts for all production for the SURE eligible acres.</p>

201 Production (Continued)

D Production for SURE (Continued)

IF...	THEN...
loss record present (Continued)	<ul style="list-style-type: none"> • a field was missed in coverage because the producer failed to report a field to RMA, producers will be required to submit verifiable and reliable production records according to subparagraphs G through J for production excluded from the “L” (Loss) Record; if production records are unavailable, COC shall assign production in addition to the production already accounted for on the loss record using maximum average loss levels according to subparagraph 205 B. <p>Example: Producer A has insurance on winter wheat in County B. FSA-578 shows 525 wheat acres on the SURE farm with IU of grain. RMA “L” (Loss) Record reflects 500 acres. Producer A is questioned about the acreage difference. It is determined a 25 acre field was not reported to RMA. RMA did not know about the 25 acre field; therefore, the 25 acre field was not included on the “L” (Loss) Record. Producer A must provide production records for the 25 acre field, or certify to production on which maximum average loss levels, according to subparagraph 205 B, will apply in addition to the production provided on the “L” (Loss) Record.</p>
no “L” (Loss) Record is present, but “SY Acre” and “SY Yield” is present	<p>in the absence of a “L” (Loss) Record, “SY Acre” and “SY Yield” provided from RMA may be used for production reporting, if they capture all of the producer’s production for that unit. If it is determined that the:</p> <ul style="list-style-type: none"> •*--unit structure changed from the current SURE year as compared to the proceeding year, the “SY Acre” and “SY Yield” shall not be--* used to capture production; producers will be required to submit verifiable and reliable production records according to subparagraphs G through J; if production records are unavailable, producer shall certify to production on which maximum average loss levels according to subparagraph 205 B will apply <p>Example: Producer C has 1 unit of wheat in County D and is applying for SURE in the 2008 year. The acreage from the “A” (Acreage) Record is 150. “SY acres” are 175. Producer C is questioned about the acreage difference and it is determined that the producer rented an additional 25 acres in 2009. Therefore, the unit structure from 2008 to 2009 has changed. The “SY Acre” and “SY Yield” cannot be used for production reporting purposes. Producer C must provide production evidence.</p>

201 Production (Continued)

D Production for SURE (Continued)

*..

IF...	THEN...
no "L" (Loss) Record is present, but "SY Acre" and "SY Yield" are present (Continued)	<ul style="list-style-type: none"> • "SY Acres" match the acres from the "A" (Acreage) Record, but FSA-578 acres do not match, then producers should be questioned to determine the reason the acres do not match; if a field was missed in coverage, "SY Yield" may or may not have captured all of the production; the producer should be questioned to make certain that they reported all of their production to RMA and all of the production is reflected in "SY Yield". <p>Example 1: Producer C has all of their corn in 1 unit in County D. FSA-578 acres are 110. RMA acres on the "A" (Acreage) Record and "SY acres" are 100. In gathering information from Producer C it was determined that 10 acres were underreported to RMA. However, Producer B reported 11,000 bushels to RMA for APH purposes from all 110 acres; therefore, even though the acres are underreported all the production is captured.</p> <p>Note: Notify RMA using AD-2007 according to 4-RM, in all cases it is discovered the RMA "SY Yield" is incorrect.</p> <p>Example 2: Producer E in county F has 1 unit of wheat on the SURE Farm. FSA-578 reflects 525 acres of wheat intended for grain. RMA acres on the "A" (Acreage) Record and "SY acres" are 500. In gathering information from Producer E it was determined that 15,000 bushels of wheat were reported to RMA for APH purposes, but the production on the 25 acre field was not reported. "SY Acre" and "SY Yield" can be used to capture the production on the 500 acres. Producer A must provide production records for the 25 acre field or certify to production on which maximum average loss levels according to subparagraph 205 B will apply in addition to the 15,000 bushels calculated from the "SY Acre" and "SY Yield" records.</p>

--*

201 Production (Continued)

D Production for SURE (Continued)

The following table provides production sources for RMA, NAP, and waived-in crops.

FOR...	IF...	THEN...
RMA	RMA production data is provided on SIR "L" (Loss) Record	use production from SIR "L" (Loss) Record.
	RMA production data is not provided on the SURE Interim Report "L" (Loss) Record, but subsequent year's yield and subsequent year's acreage are provided on SIR "Y" (Subsequent Year Yield) Record Notes: If "PW" indicator is present on "SY Yield" type, the subsequent year's yield and acres are ignored. *--Subsequent year's yields are in dollar amounts for contract seed peas and beans and cannot be used. In these cases the producer must provide--* acceptable production evidence according to subparagraphs G through J.	calculate production by multiplying the subsequent year acreage by the subsequent year yield from SIR "Y" (Subsequent Year Yield) Record.
	RMA production data is not on SIR Loss "L" Record and subsequent year's yield and subsequent year's acreage are not provided on SIR "Y" (Subsequent Year Yield) Record	producer must provide acceptable production evidence according to subparagraphs G through J.
NAP	NAP production data is provided on SIR	use provided production.
	producer on NAP covered crop did not file CCC-576 for payment or certify production for APH purposes	producer must provide acceptable production evidence according to subparagraphs G through J.
waived-in crops	producer met RMPR on the crop by way of requesting a waiver as SDA, LR, BF, paid a buy-in fee, or was granted relief	producer must provide acceptable production evidence according to subparagraphs G through J.

Notes: If cotton has a value in the "Skip-Row Code" field of the "Y" record, then RMA production may **not** be used on the "L" (Loss) Record or "SY Yield". Producers **must** provide production evidence according to subparagraphs G through J.

Applicable Skip-Row Codes for cotton are as follows:

- for Arkansas, Louisiana, Missouri, and all States east of these States, 102, 103, 106, 107, 108, 111, 112, 117, and 118

201 Production (Continued)

D Production for SURE (Continued)

- for New Mexico and the following counties in Texas: Baylor, Concho, Runnels, Schleicher, Shackelford, Sutton, Taylor, Throckmorton, Val Verde, Wilbarger, and all counties west of these counties, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, and 217
- for Kansas, Oklahoma, and all Texas counties not previously listed in this note, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, and 317.

--For 2009, if corn has a value of 10130, 20130, 20136, 20230, or 11111 in the "Skip-Row Code" field of the "Y" (Subsequent Year Yield) record, then RMA production may not be used on the "SY Yield" or "L" (Loss) records. Producers must provide production evidence according to subparagraphs G through J.--

Some RMA policies do not require production records for loss purposes and do not require production reporting for APH purposes. Producers insured under these policies must provide acceptable production records according to subparagraphs G through J, including:

- Group Risk Plan (Plan Code 12)
- *--Apiculture and PRF-RI (Plan Code 13)
- Apiculture and PRF-VI (Plan Code 14)--*
- Pecan Revenue (Plan Code 41)
- Indexed Income Protection (Plan Code 45)
- Avocado Revenue Coverage (Plan Code 46)
- *--ARH (Plan Code 47)--*
- Dollar Amount of Insurance (Plan Codes 50R and 50N)
- Fixed Dollar (Plan Code 51)
- Yield-Based Dollar Amt of Insurance (Plan Code 55)
- AGR-Lite (Plan Code 61)
- AGR (Plan Code 63)
- GRIP (Plan Code 73).

Production to count includes all actual and assigned production on the farm.

Note: Available production records, from any source, must be provided. See paragraph 205 for additional information on assigned production. See subparagraph L for determining production not to count.

233 Quality Loss General Requirements (Continued)

E Quality Adjustment Factor Impact to NAP

When establishing NAMP for NAP crops, the 12-month average market price **cannot** exceed the NAP market price. The NAP market price is the current price for the crop for the applicable NAP crop year.

For NAP covered crops and crops for which NAP coverage was not obtained, but waived-in, the quality adjustment factor is applied to NAMP rather than the NAP market price (which is the NCT crop price). When the quality adjustment factor has been applied to NAMP, the result will be compared to the NAP market price. If the NAP market price is lower than NAMP adjusted for quality, then the NAP market price will be used as NAMP. Otherwise, the quality adjusted NAMP will be used.

Example: An actual crop price used for crop year 2008 in the 2010 NCT is determined to be \$4.20. The NAP market price or “current price” in NCT for 2008 is \$4. NAMP will be the lower of the 2 prices or, for this example, the NAP market price of \$4 will be used. If a quality adjustment factor is applicable, the quality adjustment factor will first be applied to NAMP of \$4.20 **before** being adjusted to NAP market price. So if a quality adjustment factor of 5 percent applied, NAMP would be adjusted because of quality as follows:

$$\$4.20 \times .95 = \$3.99 \text{ adjusted NAMP.}$$

The adjusted NAMP would then be compared to the NAP market price of \$4. Because the adjusted NAMP is less than the NAP market price of \$4, the adjusted NAMP would be \$3.99.

F RMA Production on SIR

The production associated to a RMA loss record on SIR (Exhibit 4) includes production adjustments because of reduced quality for many crops (Exhibit 17). For SURE purposes, County Offices do **not** need to be concerned with whether or not the production listed has been adjusted because of quality. If production has already been adjusted for quality, an increased indemnity is received and will already be considered when determining total farm revenue. As a result, County Offices shall follow the same procedure for all producers regardless of whether or **not** the crop indicates it was previously adjusted for quality by RMA.

233 Quality Loss General Requirements (Continued)

G Producer Certification

The quality adjustment factors that may be applicable to a crop are other, excessive moisture, or total, according to paragraph 66.

IF States choose to set up...	THEN producers will...
both other and excessive moisture quality adjustment factors for a crop	certify to each quality adjustment factor separately.
only the total quality adjustment factor for a crop	only certify to the total quality adjustment factor.

Producers requesting an approved quality adjustment factor apply for a crop in their area must certify that the:

- quality affecting the crop was caused by an eligible adverse weather event
- same basis that the quality adjustment factor was approved for (price or quality) was used to determine the producer’s quality loss
- average of the producer’s quality loss meets or exceeds the approved quality adjustment threshold.

Although producers are only required to certify that they have met the certification criteria in this subparagraph, they must maintain all verifiable documentation used for justification. The quality loss that they are certifying to must have either:

- *--a test from a State university, STC-approved lab, or licensed warehouse facility for warehouse stored grain--*
- sales evidence that shows a reduction in price or grade of the crop related to the loss in quality.

This documentation will be used in spot checks.

Example: A quality threshold has been approved based on quality (excessive moisture following a freeze) for all corn in a county at 24 percent or more moisture resulting in a .9500 quality adjustment factor. If the producer certifies that the threshold of 24 percent is met or exceeded, based on excessive moisture following the freeze, NAMP will be adjusted by the approved quality adjustment factor of .9500 for the producer’s total harvested corn production in the approved region or county. The producer must maintain verifiable documentation proving that the threshold was met or exceeded. If the total harvested production of corn for this producer in the approved region or county does not average 24 percent or more excessive moisture, the producer is not eligible for the quality adjustment.

292 Types of Discrepancies Between FSA and RMA Data (Continued)

B Share Discrepancies (Continued)

If the RMA share is incorrect:

- the guarantee must be based on the lesser of the RMA share or the FSA share
- *--total farm revenue must be based on the FSA share (excluding RMA indemnity, this remains as is with RMA share).--*

Notes: The Factoring RMA Data by Share Differences Tool has been developed for cases when FSA shares and RMA shares do not match and it is not a result of the exception in subparagraph 35 I. Procedure for the new tool is provided in subparagraph 519 F.

Policy for factoring RMA data by share differences is provided in subparagraph:

- 519 C for 2008
- 579 C for 2009.

The Factoring RMA Data by Share Differences Tool shall **not** be used when the share discrepancy **is** a result of 1 of the exceptions in subparagraph 35 I. Instructions for using the Factoring RMA Data by Share Tool, when there are differences between RMA and FSA shares and they **do** not meet the exception, are provided in subparagraph:

- 519 C for 2008
- 579 C for 2009.

C RMA Data Adjustments for RMA Exceptions

A producer meeting 1 of the exceptions listed in subparagraph 35 I must have the following data elements adjusted according to their share:

- RMA Guarantee Basis
- share
- indemnity
- premium.

No other RMA data elements listed in SIR RMA Data Section are adjusted for SURE when only the share is different.

All RMA exceptions meeting the requirements of subparagraph 35 I must be supported by documentation and kept in the producer's file. The producer meeting 1 of the exceptions must be listed as having SBI in SIR RMA Data Section.

292 Types of Discrepancies Between FSA and RMA Data (Continued)

C RMA Data Adjustments for RMA Exceptions (Continued)

--The following examples demonstrate when to adjust specific data elements from the SIR-- RMA Section.

Example 1: RMA Exception

Husband A signs a crop insurance policy using his name and TIN. Both husband and wife are covered by the policy. The husband lists his wife as having SBI. FSA records list the husband and wife as having a 50/50 share. For SURE, the wife meets RMPR because RMA allows a spouse to insure the other spouse's share using 1 of their TIN's.

The husband and wife must file their own applications as each is producers of record.

The RMA data for the husband must be adjusted by 50 percent to account for the wife's share. For RMA plan codes (12, 13, 14, 25, 41, 42, 44, 45, 46, 50 (Nursery only), 73, 86, 90, 92, 96), adjust the following elements.

Element	Abbreviation *--on SIR--*	RMA Data Currently Shows	Reason for Adjustment
Acres	ACRES	81	Not applicable for these plan codes because the RMA Guarantee Basis is provided. Note: Acres are always gross.
Guarantee Basis	GUAR BASIS	\$5,000	Multiply Guarantee Basis by revised share (0.5000), that is \$5,000 x 0.5000 = \$2,500.
Gross Indemnity	GROSS INDM	\$4,000	Multiply Gross Indemnity by revised share (0.5000), that is \$4,000 x 0.5000 = \$2,000.
Producer Premium	PROD PREMIUM	\$800	Multiply Premium by revised share (0.5000), that is \$800 x .500 = \$400.
Production to Count	PROD TO COUNT	54	Production will be entered into the SURE * * * Workbook in its entirety as it is always gross.
Share	SHR	1.000	Adjust to 0.500 (1.000 x 0.5000 = .500).
Stage	STAGE	H	Does not change.

*--SURE Plan/Coverage Code Charts (Continued)

C 2010 SURE Plan/Coverage Code Chart

RMPR Code		RMPR Code Name	
P		Purchased	
R		Relief	
S		SDA/LR/BF	
Plan Code		RMA Plan Code Name	
12		Group Risk Plan	
13		PRF Rainfall Index	
13		Apiculture Rainfall Index	
14		PRF Vegetation Index	
14		Apiculture Vegetation Index	
25		Revenue Assurance	
41		Pecan Revenue	
42		Income Protection	
43		Aquaculture Dollar	
44		Crop Revenue Coverage	
45		Indexed income Protection	
47		Actual Revenue History	
50		<i>SEE SPLIT BELOW FOR SURE WORKBOOK PROCESS</i>	
50N		Dollar Amount of Insurance - Nursery (Crop 0073)	
50R		Dollar Amount of Insurance - Regular (Non-Nursery)	
51		Fixed Dollar	
55		Yield-Based Dollar Amount of Insurance	
61		Adjusted Gross Revenue-Lite	
63		Adjusted Gross Revenue	
73		Group Risk Income Protection	
90		Actual Production History	
SURE Workbook Coverage Code		SURE Workbook Coverage Code Name	
IY		Insurable yield-based	
IV		Insurable value-based	
NY		NAP covered/coverable yield-based	
NV		NAP covered/coverable value-based	
<p>SURE Guarantee Calculation Code for 25, 42, 44, 45, 90, IY: Calculate the SURE crop guarantee using the RMA guarantee basis as provided and multiply times the SURE multiplier of 115 percent for insured crops. Group A - Par 162 A</p>			
<p>SURE Guarantee Calculation Code for 12, 13 PRF, 14 PRF, 41, 47, 73: Calculate the SURE crop guarantee using RMA guarantee basis as provided and multiply times the SURE multiplier of 115 percent for insured crops. Group B – no RMA WTD ADJ YLD, no CC Yield – par 162 B</p>			
<p>SURE Guarantee Calculation Code for 13 Api, 14 Api, 50R, 51, 55, 61, 63: Calculate the SURE crop guarantee by assigning 100 percent of the CEY, after weighting according to this handbook and assigning 100 percent of the NAP price and multiply times the SURE multiplier of 115 percent for each crop covered by the policy or plan of insurance. Group C, no RMA Guarantee Basis – par 162 C</p>			
<p>SURE Guarantee Calculation Code for 43, 50N and IV: Calculate the SURE crop guarantee by multiplying FMVA times coverage level times price election times the SURE multiplier of 115 percent for insured crops.</p>			

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