



Washington Report November 20, 2009

CIRB News...

Henke Legal Analysis on RMA Determinations Attached. Kurt Henke, CIRB's Legal Counsel, has provided CIRB with analyses of the Risk Management Agency's Final Agency Determinations regarding the Common Crop Insurance Policy. Two of the FADS, numbered 101 and 103, pertain to the records required to support a double cropping history under the Basic Provisions. The third FAD, numbered 102, addresses the question of whether or not an RMA determination that an insured farmer adhere to good practices constitutes a final determination on whether or not an indemnity is payable. The full memo is attached to this report.

Reminder: 2010 Annual Meeting Registration. The 2010 "Meeting of the Year" will be held from February 10 – February 13, 2010 at the Hilton San Diego Bayfront in San Diego, California. We would like to remind CIRB members to watch their mail for registration information; **members who have not yet made their hotel reservations may do so [here](#).**

SRA News...

RMA Updates Hill Staff on SRA. This week, RMA officials met with House and Senate Agriculture Committee and Member staffers to provide an update on the progress of the Standard Reinsurance Agreement. They also updated staff on how they plan to incorporate the findings of the recent Milliman Report into their work. In addition, SRA holders will meet with RMA officials in Kansas City on December 10, 2009 to discuss the initial draft of the SRA, which is expected to be released in the near future.

USDA News...

USDA to Enroll Producers in SURE By End of Month. Agri-Pulse newsletter reported this week that USDA's Farm Service Agency is likely to begin enrolling producers in the Supplemental Revenue Assistance Payments (SURE) program by the end of this month and also issue payments on 2008 losses before the end of this year. Agri-Pulse also reports that some in Congress, including Senate Agriculture Chairwoman Blanche Lincoln, are considering other forms of disaster aid for fear that SURE will not be enough to relieve some hard-hit producers. SURE was created in the 2008 Farm Bill to replace annual disaster assistance funding with a permanent approach.

RMA Memorandum on PRF and API Pilot Programs. This week, RMA issued a memorandum on Pasture, Rangeland, Forage (PRF) and Apiculture (API) pilot programs. The agency noted that given the issuance of the 2010 Rainfall Index and Vegetation Index, the available index intervals have been expanded to allow producers to select those intervals which best fit their operations. For more information, click [here](#).

RMA Memorandum on 2010 Acreage. RMA has issued a memorandum determining acreage for 2010 and successive crop years for the Fresh Market Tomato Dollar Plan, Guaranteed Production Plan of Fresh Market Tomato, Processing Tomato, and the Fresh Market Pepper Crop Provisions. For additional information, click [here](#).

Congressional News...

Dodd Bill Would Create Office of National Insurance. As part of a broader effort to overhaul the regulation of our financial markets, Senate Banking Chairman Chris Dodd has introduced legislation that would establish an Office of National Insurance and authorize the office to conduct a study on modernizing the regulations surrounding insurance. The crop insurance industry is generally opposed to this proposal and would prefer a state-level approach to regulating insurance. CIRB and other industry groups will work with the Senate Agriculture and Banking Committees to explore an exemption for the federal crop insurance program under this bill.

Budget Cuts Expected for Fiscal Year 2011. The Obama Administration has notified federal agencies to plan for their 2011 Fiscal Year budgets to either be frozen or reduced by five percent. Additionally, Congressional Democrats have indicated that some budget savings may come from placing caps on how much money Congress may distribute for annual agency operating budgets. The federal crop insurance program has been targeted for cuts in the past, so CIRB will monitor these budget reduction efforts next year.

Agriculture Panels Weigh in on Financial Reform. This week, both the House and Senate Agriculture Committees conducted hearings pertaining to financial regulatory reform. On Tuesday, the House panel held a hearing on a draft of the Financial Stability Improvement Act, which prompted concerns from lawmakers about duplicative or misplaced oversight of the Commodity Futures Trading Commission and the Farm Credit Administration. On Wednesday, the Senate Agriculture Committee took a broad look at financial market regulation; Chairwoman Lincoln announced at the hearing that she will prepare her own bill to reform regulation of the over-the-counter derivatives market.

House Outlook. After the upcoming Thanksgiving recess, the House is likely to focus on **economic recovery legislation** intended to create jobs and restore confidence in the economy. Additionally, the Financial Services and Agriculture Committees continue to work through **financial regulatory reform** bills, which may be considered on the floor next month.

Senate Outlook. The Senate is likely to focus on **healthcare reform legislation** for much of December; Majority Leader Reid unveiled his bill this week and is aiming to begin debate by this weekend. Additionally, the chamber must wrap up its work on the **Fiscal Year 2010 Appropriations process**, with several bills likely to be folded into an omnibus measure to facilitate

a quicker process. Senate leaders have indicated that further action on **climate change legislation** will be punted until next year.

Industry News...

NCIS Encourages Farmers Unable to Harvest to Contact Agents. This week, National Crop Insurance Services urged farmers who are unable to harvest to contact their crop insurance agents as quickly as possible. NCIS reminded farmers to submit notices of losses with their agents and request additional time for harvesting in order to protect their crop insurance coverage. For more information, click [here](#).

Member News...

Guy Carpenter Named Reinsurance Broker of the Year. Guy Carpenter & Company, LLC was recognized as “Reinsurance Broker of the Year” at last week’s Asia Insurance Industry Awards 2009, earning this distinction for the second year in a row. The adjudication panel noted Guy Carpenter’s “innovative approach and long-standing reputation” in Asia. For more information, click [here](#).

FMH Hires Jensen in Project Management. Farmers Mutual Hail Insurance Company recently announced the hiring of Jeff Jensen as Assistant Vice President of the Project Management Office. Jensen worked as a consultant prior to taking this position.