



United States  
Department of  
Agriculture

Farm Production  
and Conservation

Risk  
Management  
Agency

Beacon Facility –  
Mail Stop 0801  
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Kansas City, MO  
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March 2, 2020

**INFORMATIONAL MEMORANDUM: PM-20-017**

**TO:** All Approved Insurance Providers  
All Risk Management Agency Field Offices  
All Other Interested Parties

**FROM:** Richard H. Flournoy /s/John W. Underwood for  
Deputy Administrator

**SUBJECT:** 2020 Crop Year (CY) **Common Crop Insurance Policy** and  
**Area Risk Protection Insurance** Projected Prices and Volatility Factors;  
**Malting Barley Endorsement** Projected Price Component and Volatility  
Factor; and **Hybrid Seed Price Endorsement** - Hybrid Seed Corn Prices

**Common Crop Insurance Policy & Area Risk Protection Insurance<sup>1</sup>**

The 2020 CY **projected prices** shown below are approved for the following plans of insurance: Yield Protection, Area Yield Protection, Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area Revenue Protection with the Harvest Price Exclusion. The 2020 CY **volatility factors** shown below are approved for the following plans of insurance: Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area Revenue Protection with the Harvest Price Exclusion. The projected prices and volatility factors apply to policies with a **March 15 sales closing date, unless otherwise indicated**, and are applicable for the crops, practices, types, and states indicated below:

Crop/Practice/Type/State	Exchange	Contract	Projected Price	Volatility Factor
<b>Barley</b> <i>Kansas (Spring type)</i>	CBOT	July Corn	\$3.15/bushel	0.10
<b>Barley – Organic Practice</b> <i>Kansas (Spring type)</i>	CBOT	July Corn	\$6.74/bushel	0.10

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance** Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn** Prices

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <i>Iowa, Nebraska, New York (Spring type) &amp; Pennsylvania (Spring type)</i>	CBOT	September Corn	\$3.14/bushel	0.13
<b>Barley – Organic Practice</b> <i>Iowa, Nebraska, New York (Spring type) &amp; Pennsylvania (Spring type)</i>	CBOT	September Corn	\$6.70/bushel	0.13
<b>Barley</b> <i>California (Spring types), Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin &amp; Wyoming</i>	CBOT	September Corn	\$3.14/bushel	0.14
<b>Barley – Organic Practice</b> <i>California (Spring types), Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin &amp; Wyoming</i>	CBOT	September Corn	\$6.70/bushel	0.14
<b>Barley</b> <i>Alaska</i>	CBOT	December Corn	\$5.73/bushel	0.14
<b>Barley – Organic Practice</b> <i>Alaska</i>	CBOT	December Corn	\$12.25/bushel	0.14

<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance** Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn** Prices

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <b>(March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement)</b> <i>California, Idaho, Oregon &amp; Washington</i> <i>(previously released 9/16/2019)</i>	CBOT	September Corn	\$3.24/bushel	0.16
<b>Barley – Organic Practice</b> <b>(March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement)</b> <i>California, Idaho, Oregon &amp; Washington</i> <i>(previously released 9/16/2019)</i>	CBOT	September Corn	\$6.93/bushel	0.16
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Kansas</i>	CBOT	July Corn	\$3.15/bushel	0.10
<b>Barley – Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Kansas</i>	CBOT	July Corn	\$6.74/bushel	0.10
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>New York &amp; Pennsylvania</i>	CBOT	September Corn	\$3.14/bushel	0.13
<b>Barley – Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>New York &amp; Pennsylvania</i>	CBOT	September Corn	\$6.70/bushel	0.13

<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance** Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn** Prices

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>California, Colorado, Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$3.14/bushel	0.14
<b>Barley – Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>California, Colorado, Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$6.70/bushel	0.14
<b>Barley</b> <b>(October 31 Sales Closing Date, Spring Types)</b> <i>Nevada &amp; Utah</i>	CBOT	September Corn	\$3.14/bushel	0.14
<b>Barley – Organic Practice</b> <b>(October 31 Sales Closing Date, Spring Types)</b> <i>Nevada &amp; Utah</i>	CBOT	September Corn	\$6.70/bushel	0.14
<b>Canola</b> <i>All States</i>	ICE	November Canola	\$0.164/pound	0.08
<b>Canola - Rapeseed Type</b> <i>All States</i>	ICE	November Canola	\$0.236/pound	0.00
<b>Canola</b> <b>(August 31 Sales Closing Date, Spring Type(s))</b> <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.164/pound	0.08
<b>Canola - Rapeseed Type</b> <b>(August 31 Sales Closing Date, Spring Type(s))</b> <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.236/pound	0.00

<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance** Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn** Prices

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Corn</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$3.88/bushel	0.14
<b>Corn - Organic Practice</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$8.67/bushel	0.14
<b>Corn</b> <i>Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin &amp; Wyoming</i>	CBOT	December Corn	\$3.88/bushel	0.15
<b>Corn - Organic Practice</b> <i>Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin &amp; Wyoming</i>	CBOT	December Corn	\$8.67/bushel	0.15
<b>Corn</b> <i>Idaho, Michigan, Oregon &amp; Washington</i>	CBOT	December Corn	\$3.88/bushel	0.16

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance**  
 Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price  
 Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn**  
 Prices

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Corn - Organic Practice</b> <i>Idaho, Michigan, Oregon &amp; Washington</i>	CBOT	December Corn	\$8.67/bushel	0.16
<b>Corn – High Amylose Type</b> <i>Illinois, Indiana, Iowa, Kansas, Missouri, Nebraska &amp; South Dakota</i>	CBOT	December Corn	\$5.43/bushel	0.15
<b>Cotton</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$0.68/pound	0.14
<b>Cotton - Organic Practice</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$1.06/pound	0.14
<b>Cotton</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$0.68/pound	0.15
<b>Cotton - Organic Practice</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$1.06/pound	0.15
<b>Grain Sorghum</b> <i>Texas</i>	CBOT	December Corn	\$3.69/bushel	0.14
<b>Grain Sorghum – Organic Practice</b> <i>Texas</i>	CBOT	December Corn	\$8.09/bushel	0.14
<b>Grain Sorghum</b> <i>All States, except Texas</i>	CBOT	December Corn	\$3.69/bushel	0.15
<b>Grain Sorghum – Organic Practice</b> <i>All States, except Texas</i>	CBOT	December Corn	\$8.09/bushel	0.15
<b>Peanuts - Runner Type</b> <i>New Mexico, Oklahoma, Texas &amp; Virginia</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2039/pound	0.08

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO) and Stacked Income Protection (STAX - cotton only).**

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance**  
 Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price  
 Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn**  
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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Peanuts - Spanish Type</b> <i>New Mexico, Oklahoma &amp; Texas</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2814/pound	0.08
<b>Peanuts - Valencia Type</b> <i>New Mexico, Oklahoma &amp; Texas</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2366/pound	0.08
<b>Peanuts - Virginia Type</b> <i>New Mexico, Oklahoma, Texas &amp; Virginia</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2366/pound	0.08
<b>Popcorn</b> <i>Alabama</i> <i>(previously released: 2/19/2020)</i>	CBOT	September Corn	\$0.1686/pound	0.14
<b>Popcorn - Organic Practice</b> <i>Alabama</i> <i>(previously released: 2/19/2020)</i>	CBOT	September Corn	\$0.2426/pound	0.14
<b>Popcorn</b> <i>All States, except Alabama &amp; Michigan</i>	CBOT	December Corn	\$0.1668/pound	0.15
<b>Popcorn - Organic Practice</b> <i>All States, except Alabama &amp; Michigan</i>	CBOT	December Corn	\$0.2402/pound	0.15
<b>Popcorn</b> <i>Michigan</i>	CBOT	December Corn	\$0.1668/pound	0.16
<b>Popcorn - Organic Practice</b> <i>Michigan</i>	CBOT	December Corn	\$0.2402/pound	0.16
<b>Rice – Long Grain Type</b> <i>Illinois &amp; Missouri</i>	CBOT	November Rice	\$0.120/pound	0.13
<b>Rice – Long Grain Type; Organic Practice</b> <i>Illinois &amp; Missouri</i>	CBOT	October Rice	\$0.161/pound	0.13

<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance**  
 Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price  
 Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn**  
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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Rice – Medium/Short Grain Types</b> <i>Illinois &amp; Missouri</i>	CBOT	November Rice	\$0.146/pound	0.13
<b>Rice – Medium/Short Grain Types; Organic Practice</b> <i>Illinois &amp; Missouri</i>	CBOT	November Rice	\$0.196/pound	0.13
<b>Soybeans</b> <i>Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington &amp; Wisconsin</i>	CBOT	November Soybeans	\$9.17/bushel	0.12
<b>Soybeans - Organic Practice</b> <i>Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington &amp; Wisconsin</i>	CBOT	November Soybeans	\$18.03/bushel	0.12
<b>Soybeans</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2021) Soybeans	\$9.21/bushel	0.11
<b>Soybeans - Organic Practice</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2021) Soybeans	\$18.11/bushel	0.11
<b>Sunflowers - Oil Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.169/pound	0.14
<b>Sunflowers - Confectionery Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.226/pound	0.14
<b>Sunflowers – Oil &amp; Confectionery Types; Organic Practice</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.303/pound	0.14

<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance** Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price Component and Volatility Factor; and **Hybrid Seed Price Endorsement - Hybrid Seed Corn** Prices

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Wheat - All Types Except Durum</b> <i>Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$5.56/bushel	0.14
<b>Wheat - All Types Except Durum; Organic Practice</b> <i>Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$12.19/bushel	0.14
<b>Wheat - Durum Type</b> <i>Montana, North Dakota &amp; South Dakota</i>	MGE	September HRS Wheat	\$5.75/bushel	0.14
<b>Wheat - Durum Type; Organic Practice</b> <i>Montana, North Dakota &amp; South Dakota</i>	MGE	September HRS Wheat	\$12.60/bushel	0.14
<b>Wheat (September 30 Sales Closing Date, Spring Type)</b> <i>California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$5.56/bushel	0.14
<b>Wheat – Organic Practice (September 30 Sales Closing Date, Spring Type)</b> <i>California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$12.19/bushel	0.14

<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).

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2020 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance** Projected Prices and Volatility Factors; **Malting Barley Endorsement** Projected Price Component and Volatility Factor; and **Hybrid Seed Price Endorsement** - Hybrid Seed Corn Prices

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**Malting Barley Endorsement**

The Malting Barley Endorsement (MBE) utilizes a Chicago Board of Trade (CBOT) soft red wheat price component to derive the projected price for any insured whose malt barley contract provides for a premium amount above or below a base price to be determined, and the base price is not determined by the acreage reporting date.

<b>Malting Barley Type</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
Spring Planted Type	CBOT	September SRW Wheat	\$5.54/bushel	0.16

**Hybrid Seed Price Endorsement**

The following 2020 CY hybrid seed corn prices have been approved for the Hybrid Seed Price Endorsement: **\$4.07 per bushel** for the non-organic practice; and **\$9.04 per bushel** for the certified organic practice.

These amounts reflect the higher values of either: 1) the previously-released 2020 crop year MPC I hybrid seed corn price elections [non-organic practice: \$4.07 per bushel; certified organic practice: \$9.04 per bushel]; or 2) the futures-based prices derived from the average daily settlement price in February for the 2020 December CBOT corn contract [non-organic practice: \$3.88 per bushel], multiplied by an organic corn price factor [certified organic practice: \$8.67 per bushel].

**DISPOSAL DATE**

December 31, 2020