

**Federal Crop Insurance Corporation, USDA**

**§ 457.105**

(3) 25,000 pound production to count  $\times$  \$.65 projected price = \$16,250.00 value of production to count

(5)  $\$17,062.50 - \$16,250.00 = \$812.50$

(6)  $\$812.50 \times 1.000$  share = \$813.00 indemnity; or

If you elected revenue protection:

(1) 50 acres  $\times$  (525 pound production guarantee  $\times$  \$.70 harvest price) = \$18,375.00 revenue protection guarantee

(3) 25,000 pound production to count  $\times$  \$.70 harvest price = \$17,500.00 value of the production to count

(5)  $\$18,375.00 - \$17,500.00 = \$875.00$

(6)  $\$875.00 \times 1.000$  share = \$875.00 indemnity.

(c) The total production to count (in pounds) from all insurable acreage on the unit will include:

(1) All appraised production as follows:

(i) For yield protection, not less than the production guarantee and for revenue protection, not less than the amount of production that when multiplied by the harvest price equals the revenue protection guarantee (per acre) for acreage:

(A) That is abandoned;

(B) Put to another use without our consent;

(C) Damaged solely by uninsured causes;

(D) For which you fail to provide records of production that are acceptable to us; or

(E) On which the cotton stalks are destroyed, in violation of section 9;

(ii) Production lost due to uninsured causes;

(iii) Unharvested production (mature unharvested production of white cotton may be adjusted for quality deficiencies in accordance with subsection 10(d)); and

(iv) Potential production on insured acreage you want to put to another use or you wish to abandon or no longer care for, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end if you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(A) If you do not elect to continue to care for the crop we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or you fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

(B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production,

or our reappraisal if additional damage occurs and the crop is not harvested; and

(2) All harvested production from the insurable acreage, including any mature cotton retrieved from the ground.

(d) Mature white cotton may be adjusted for quality when production has been damaged by insured causes. Such production to count will be reduced if the price quotation for cotton of like quality (price quotation "A") for the applicable growth area is less than 85 percent of price quotation "B."

(1) Price B is defined as the Upland Cotton National Average Loan Rate determined by FSA, or as specified in the Special Provisions.

(2) Price A is defined as the loan value per pound for the bale determined in accordance with the FSA Schedule of Premiums and Discounts for the applicable crop year, or as specified in the Special Provisions.

(3) If eligible for adjustment, the amount of production to count will be determined by multiplying the number of pounds of such production by the factor derived from dividing price quotation "A" by 85 percent of price quotation "B."

(e) Colored cotton lint will not be eligible for quality adjustment.

**11. Prevented Planting**

(a) In addition to the provisions contained in section 17 of the Basic Provisions, your prevented planting production guarantee will be based on your approved yield without adjustment for skip-row planting patterns.

(b) Your prevented planting coverage will be 50 percent of your production guarantee for timely planted acreage. If you have additional coverage and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents.

[59 FR 49154, Sept. 27, 1994, as amended at 60 FR 62725, Dec. 7, 1995; 62 FR 7134, Feb. 18, 1997; 62 FR 63633, Dec. 2, 1997; 62 FR 65164, Dec. 10, 1997; 63 FR 55497, Oct. 16, 1998; 63 FR 66717, Dec. 3, 1998; 75 FR 15878, 15879, Mar. 30, 2010; 75 FR 59057, Sept. 27, 2010]

**§ 457.105 Extra long staple cotton crop insurance provisions.**

The extra long staple cotton crop insurance provisions for the 2012 and succeeding crop years are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

*ELS Cotton Crop Provisions*

**1. Definitions**

*Cotton.* Varieties identified as Extra Long Staple (ELS) cotton and American Upland (AUP) cotton if ELS cotton is destroyed by

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an insured cause and acreage is replanted to AUP cotton.

*ELS cotton.* Extra Long Staple cotton (also called Pima cotton, American-Egyptian cotton, and American Pima cotton).

*Harvest.* The removal of the seed cotton from the open cotton boll, or the severance of the open cotton boll from the stalk by either manual or mechanical means.

*Mature ELS cotton.* ELS cotton that can be harvested either manually or mechanically.

*Planted acreage.* In addition to the definition contained in the Basic Provisions, cotton must be planted in rows, unless otherwise provided by the Special Provisions, actuarial documents, or by written agreement. The yield conversion factor normally applied to non-irrigated skip-row cotton acreage will not be used if the land between the rows of cotton is planted to any other spring planted crop.

*Production guarantee.* The number of pounds determined by multiplying the approved yield per acre by any applicable yield conversion factor for non-irrigated skip-row planting patterns, and multiplying the result by the coverage level percentage you elect.

*Replanting.* Performing the cultural practices necessary to replace the ELS cotton seed, and replacing the seed with either ELS or AUP cotton seed in the insured acreage with the expectation of growing a successful crop.

*Skip-row.* A planting pattern that:

- (1) Consists of alternating rows of cotton and fallow land or land planted to another crop the previous fall; and
- (2) Qualifies as a skip-row planting pattern as defined by the Farm Service Agency (FSA) or a successor agency.

**2. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities**

In addition to the requirements of section 3 of the Basic Provisions (§457.8) you may select only one price election for all the cotton in the county insured under this policy.

**3. Contract Changes**

The contract change date is November 30 (December 17 for the 1998 crop year only) preceding the cancellation date (see the provisions of section 4 of the Basic Provisions).

**4. Cancellation and Termination Dates**

In accordance with section 2 of the Basic Provisions (§457.8), the cancellation and termination dates are:

States	Cancellation and termination dates
New Mexico .....	March 15.
All other States .....	Feb. 28.

**5. Insured Crop**

In accordance with section 8 of the Basic Provisions (§457.8), the crop insured will be all the cotton lint in the county for which premium rates are provided by the actuarial documents:

- (a) In which you have a share; and
- (b) That is not (unless allowed by the Special Provisions or by a written agreement):
  - (1) Planted into an established grass or legume;
  - (2) Interplanted with another spring planted crop;
  - (3) Grown on acreage from which a hay crop was harvested in the same calendar year unless the acreage is irrigated; or
  - (4) Grown on acreage on which a small grain crop reached the heading stage in the same calendar year unless the acreage is irrigated or adequate measures are taken to terminate the small grain crop prior to heading and less than fifty percent (50%) of the small grain plants reach the heading stage.

**6. Insurable Acreage**

In addition to the provisions of section 9 of the Basic Provisions (§457.8):

- (a) The acreage insured will be only the land occupied by the rows of cotton when a skip row planting pattern is utilized; and
- (b) Any acreage of the insured crop damaged before the final planting date, to the extent that a majority of producers in the area would not be replanted unless we agree that it is not practical to replant.

**7. Insurance Period**

- (a) In lieu of section 11(b)(b)(2) of the Basic Provisions, insurance will end upon the removal of the cotton from the field.
- (b) In accordance with the provisions of section 11 of the Basic Provisions (§457.8), the calendar date for the end of the insurance period is January 31 immediately following planting.

**8. Causes of Loss**

In accordance with the provisions of section 12 of the Basic Provisions (§457.8), insurance is provided only against the following causes of loss which occur within the insurance period:

- (a) Adverse weather conditions;
- (b) Fire;
- (c) Insects, but not damage due to insufficient or improper application of pest control measures;
- (d) Plant disease, but not damage due to insufficient or improper application of disease control measures;
- (e) Wildlife;
- (f) Earthquake;
- (g) Volcanic eruption; or
- (h) Failure of irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period.

## 9. Duties in the Event of Damage or Loss

(a) In addition to your duties under section 14 of the Basic Provisions (§457.8), in the event of damage or loss:

(1) You must give us notice if you intend to replant any acreage originally planted to ELS cotton to AUP cotton;

(2) The cotton stalks must remain intact for our inspection; and

(3) If you initially discover damage to any insured crop within 15 days of harvest, or during harvest, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 10 feet wide and extend the entire length of the field in the unit.

(b) The stalks must not be destroyed, and required samples must not be harvested, until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed and written notice of probable loss is given to us.

## 10. Settlement of Claim

(a) We will determine your loss on a unit basis. In the event you are unable to provide records of production:

(1) For any optional unit, we will combine all optional units for which acceptable records of production were not provided; or

(2) For any basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.

(b) In the event of loss or damage covered by this policy, we will settle your claim on any unit by:

(1) Multiplying the insured acreage by the production guarantee;

(2) Subtracting from this the total production to count;

(3) Multiplying the remainder by your price election; and

(4) Multiplying this result by your share.

(c) The total production to count (in pounds) from all insurable acreage on the unit will include:

(1) All appraised production as follows:

(i) Not less than the production guarantee for acreage:

(A) That is abandoned;

(B) Put to another use without our consent;

(C) Damaged solely by uninsured causes;

(D) For which you fail to provide records of production that are acceptable to us; or

(E) On which the cotton stalks are destroyed in violation of section 9;

(ii) Production lost due to uninsured causes;

(iii) Unharvested production (mature unharvested production may be adjusted for quality deficiencies in accordance with subsection:

(A) 10(d) and (e) if it is mature ELS cotton; or

(B) 10(f) if it is AUP cotton insured under these crop provisions); and

(iv) Potential production on insured acreage you want to put to another use or you wish to abandon or no longer care for, if you and we agree on the appraised amount of production. Upon such agreement the insurance period for that acreage will end if you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or you fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count.); or

(B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and

(2) All harvested production from the insurable acreage, including any mature cotton retrieved from the ground.

(d) Mature ELS cotton production may be adjusted for quality when production has been damaged by insured causes. Such production to count will be reduced if Price A is less than 85 percent of Price B.

(1) Price B is defined as the Extra Long Staple Cotton National Average Loan Rate determined by FSA, or as specified in the Special Provisions.

(2) Price A is defined as the loan value per pound for the bale determined in accordance with the FSA Schedule of Premiums and Discounts for the applicable crop year, or as specified in the Special Provisions.

(3) If eligible for quality adjustment, the amount of production to be counted will be determined by multiplying the number of pounds of such production by the factor derived from dividing Price A by 85 percent of Price B.

(e) For ELS cotton to be eligible for quality adjustment as shown in subsection 10(d), ginning must have been completed at a gin using roller equipment.

(f) Mature AUP cotton harvested or appraised from acreage originally planted to ELS cotton in the same growing season will be reduced by the factor obtained by dividing the price per pound for AUP cotton by the price per pound for ELS cotton. The prices used for AUP and ELS cotton will be calculated using the Upland Cotton National

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Average Loan Rate determined by FSA and the Extra Long Staple Cotton National Average Loan Rate determined by FSA, or as specified in the Special Provisions.

**11. Late Planting**

A late planting period is not applicable to ELS cotton. Any ELS cotton that is planted after the final planting date will not be insured unless you were prevented from planting it by the final planting date. Such acreage will be insurable, and the production guarantee and premium for the acreage will be determined in accordance with section 16 of the Basic Provisions.

**12. Prevented Planting**

(a) In addition to the provisions contained in section 17 of the Basic Provisions, your prevented planting production guarantee will be based on your approved yield without adjustment for skip-row planting patterns.

(b) Your prevented planting coverage will be 50 percent of your production guarantee for timely planted acreage. If you have limited or additional levels of coverage, as specified in 7 CFR part 400, subpart T, and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents.

[59 FR 49169, Sept. 27, 1994, as amended at 60 FR 62726, Dec. 7, 1995; 62 FR 6704, Feb. 13, 1997; 62 FR 63633, Dec. 2, 1997; 62 FR 65165, Dec. 10, 1997; 63 FR 55497, Oct. 16, 1998; 63 FR 66717, Dec. 3, 1998; 76 FR 32068, June 3, 2011]

**§ 457.106 Texas citrus tree crop insurance provisions.**

The Texas Citrus Tree Crop Insurance Provisions for the 2011 and succeeding crop years are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

*Reinsured policies*

(Appropriate title for insurance provider)

Both FCIC and Reinsured Policies

*Texas Citrus Tree Crop Provisions*

**1. Definitions**

*Bud union.* The location on the tree trunk where a bud from one tree variety is grafted onto root stock of another variety.

*Crop.* Specific groups of citrus fruit trees as listed in the Special Provisions.

*Crop year.* For the 1998 crop year only, a period of time that begins on June 1, 1997, and ends on November 20, 1998. For all other crop years, a period of time that begins on November 21 of the calendar year prior to the year the trees normally bloom, and ends on November 20 of the following calendar year.

The crop year is designated by the year in which the insurance period ends.

*Dehorning.* Cutting all scaffold limbs to a length not longer than 1/4 the height of the tree before such cutting.

*Destroyed.* Trees damaged to the extent that removal is necessary.

*Excess precipitation.* An amount of precipitation sufficient to directly damage the tree.

*Excess wind.* A natural movement of air that has sustained speeds in excess of 58 miles per hour recorded at the U.S. Weather Service reporting station nearest to the crop at the time of crop damage.

*Freeze.* The formation of ice in the cells of the trees caused by low air temperatures.

*Good farming practices.* The cultural practices generally in use in the county for the trees to have normal growth and vigor and recognized by the National Institute of Food and Agriculture as compatible with agronomic and weather conditions in the county.

*Interplanted.* Acreage on which two or more crops are planted in any form of alternating or mixed pattern.

*Irrigated practice.* A method by which the normal growth and vigor of the insured trees is maintained by artificially applying adequate quantities of water during the growing season using the appropriate irrigation systems at the proper times.

*Root stock.* A root or a piece of a root of one tree variety onto which a bud from another tree variety is grafted.

*Scaffold limbs.* Major limbs attached directly to the trunk.

*Set out.* Transplanting the tree into the grove.

**2. Unit Division**

(a) A basic unit, as defined in section 1 of the Basic Provisions, will be divided into additional basic units by each citrus crop designated in the Special Provisions.

(b) Sections 34(b) (1), (3), and (4) of the Basic Provisions are not applicable.

(c) Provisions in the Basic Provisions that allow optional units by irrigated and non-irrigated practices are not applicable.

(d) Instead of establishing optional units by section, section equivalent, or FSA farm serial number optional units may be established if each optional unit is located on non-contiguous land.

**3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities**

(a) In lieu of the requirement of section 3 (Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities) of the Basic Provisions (§457.8), that prohibits you from selecting more than one coverage level for each insured crop, you may select a different coverage level for each crop designated in the Special Provisions that you elect to insure.