

# Notices

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This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

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## DEPARTMENT OF AGRICULTURE

### Office of the Secretary

[Docket No. 00-060-1]

#### Declaration of Emergency Because of Glassy-Winged Sharpshooter

The glassy-winged sharpshooter (*Homalodisca coagulata*), a primary vector of the bacterium that causes Pierce's disease, is becoming established in areas of the State of California.

Pierce's disease, caused by the bacterium *Xylella fastidiosa*, is an extremely serious plant disease that affects grapes. Infection interferes with the transport of water through grape vines, resulting in severely reduced fruit production and eventually the death of the vine. There is no treatment for the disease; once a grapevine has contracted Pierce's disease, the vine cannot be saved. Pierce's disease is spread over distances by the highly mobile glassy-winged sharpshooter.

Pierce's disease is endemic to States bordering the Gulf of Mexico, as well as mid-Atlantic States in the southeastern United States. Glassy-winged sharpshooter is also indigenous to many of these areas. However, native grapevines in these areas of the southeastern United States appear to be tolerant of Pierce's disease, which limits the effect the disease has on grape production there. Therefore, no regulatory measures have been taken, or will be taken, to control the spread of Pierce's disease in the southeastern United States.

Infestations of Pierce's disease, combined with the recent introduction of glassy-winged sharpshooter, in limited areas of California are presenting a serious threat to grape vineyards in that State. Production grape vines in California have no tolerance for Pierce's disease. Therefore, if glassy-winged sharpshooter is allowed to spread from recently infested areas in California, the overall crop loss and

effects on quality as a result of the spread of Pierce's disease could be significant. The estimated annual value of California's grape industry is at least \$6 billion. If steps are not taken to eradicate glassy-winged sharpshooter in the recently infested areas in California where it is now known to be present, there is every possibility the disease will eventually spread to other areas of the State, and to other areas of the United States, where susceptible grapes are produced. This would result in substantial losses to producers of grapes, and to those industries that transport, process, or otherwise utilize this fruit. Consumers would also be affected by a reduction in the quantity and quality of grapes available, and by increased prices.

Five distinct strategies have been identified for responding to the glassy-winged sharpshooter in California: (1) A State regulatory program to inspect nursery stock for the presence of glassy-winged sharpshooter before the nursery stock moves from the areas in California where the pest is now known to be present to other areas in the State; (2) a State-wide survey program adequate to detect any additional infestations of glassy-winged sharpshooter that may be present; (3) control operations to establish multi-county pest management areas and apply appropriate insecticide treatments; (4) a research program to identify alternative methods of control and eradication, such as biological controls; and (5) an educational campaign to help the public identify the glassy-winged sharpshooter and the symptoms of Pierce's disease. Initial action was taken by the California Department of Food and Agriculture (CDFA). The Animal and Plant Health Inspection Service, U.S. Department of Agriculture, is working on the detection of glassy-winged sharpshooter in California and on research into new biological control technologies aimed at preventing the spread of Pierce's disease.

Additional funds are needed to conduct the control and eradication programs deemed necessary to protect grape production areas in California.

Therefore, in accordance with section 442, title IV, of the Agricultural Risk Protection Act of 2000 (Public Law 106-224), I declare that there is an emergency that threatens the grape crop of California, and I authorize the

transfer and use of such sums as may be necessary from appropriations or other funds available to agencies or corporations of the United States Department of Agriculture for the conduct of a program in California to control and prevent the spread of glassy-winged sharpshooter and Pierce's disease in California and to other noninfested areas of the United States.

*Effective Date:* This declaration of emergency shall become effective June 23, 2000.

**Dan Glickman,**

*Secretary of Agriculture.*

[FR Doc. 00-17151 Filed 7-06-00; 8:45 am]

BILLING CODE 3410-34-U

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## DEPARTMENT OF AGRICULTURE

### Federal Crop Insurance Corporation

#### Revenue Assurance

**ACTION:** Notice of availability.

**SUMMARY:** In accordance with section 508(h) of the Federal Crop Insurance Act (Act), the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) have approved for reinsurance and subsidy the insurance of canola/rapeseed, corn, feed barley, soybeans, sunflowers, spring wheat, and winter wheat in select states and counties under the Revenue Assurance (RA) plan of insurance for the 2001 crop year. This notice is intended to inform eligible producers and the private insurance industry of revisions to the Revenue Assurance Insurance Policy Basic Provisions, deletion of the Revenue Assurance Spring Wheat Crop Provisions, and addition of the Revenue Assurance Wheat Crop Provisions and Revenue Assurance Optional Endorsement Winter Wheat Coverage Endorsement beginning with the 2001 crop year.

**FOR FURTHER INFORMATION CONTACT:** Tim Hoffmann, Director, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 6501 Beacon Dr., Kansas City, Missouri 64133, telephone (816) 926-7387.

**SUPPLEMENTARY INFORMATION:** Section 508(h) of the Act allows for the submission of a policy to FCIC's Board and authorizes the Board to review and, if the Board finds that the interests of

producers are adequately protected and that premiums charged to producers are actuarially appropriate, approve the policy for reinsurance and subsidy in accordance with section 508(e) of the Act.

In accordance with Section 508(h) of the Act, the Board approved a program of insurance known as "Revenue Assurance" (RA) submitted by Farm Bureau Mutual Insurance Company of Iowa as a pilot project covering corn and soybeans beginning with the 1997 crop year.

The RA program was approved for reinsurance and premium subsidy, including subsidy for administrative and operating expenses in an amount authorized under section 508(e) of the Act. RA was designed to protect a producer's revenue whenever low prices or low yields, or a combination of both, caused the harvest revenue to fall below a guaranteed level. The producer selected a per-acre revenue guarantee that could not be less than 65 percent, or more than 75 percent, of the expected revenue for a unit. The policy indemnity was finalized when the county harvest price and the producer's actual production were determined. This determination typically occurred in December for corn, and in November for soybeans. The crop prices were established on a county basis.

The RA policy provides coverage for basic units, optional units, enterprise units, and whole-farm units.

For the 1999 crop year, at the request of American Farm Bureau Insurance Services, Inc., the RA program for corn and soybeans was expanded into Illinois, South Dakota, Minnesota, and North Dakota, and spring wheat was approved as a new crop for North Dakota. Producers could select a coverage level percentage up to 80 percent for whole-farm units, and a fall harvest price option that used the greater of the projected harvest price or the fall harvest price in determining the revenue guarantee. The RA program was changed to use the Chicago Board of Trade futures for crop prices rather than using the county crop prices. The Chicago Board of Trade futures and the actual production history were the basis for determining the revenue guarantee and RA premium rates.

For the 2000 crop year, the RA program was expanded for corn and soybeans in Indiana; for spring wheat in Idaho, Minnesota, and South Dakota; for feed barley and canola/rapeseed in Idaho and North Dakota; and for sunflowers in North Dakota. The maximum coverage level for enterprise and whole-farm units was also increased to 85 percent.

American Farm Bureau Insurance Services, Inc., has requested winter wheat coverage in specific states and in counties that currently have MPCI winter wheat coverage beginning with the 2001 crop year, therefore, winter wheat coverage has been added to the wheat policy and a winter wheat coverage endorsement has also been added. Changes for clarification have been added to the Revenue Assurance Insurance Policy Basic Provisions.

Changes in the administrative fees producers must pay, allowing producers to replace low actual production history yields (APH) yields with adjusted transitional yields (T-yields), and changes in the amount of subsidy provided to reduce producers' premium costs have been added to the Revenue Assurance Insurance Policy Basic Provisions as mandated by the Agricultural Risk Protection Act of 2000.

Accordingly, FCIC herewith gives notice of the above stated changes for the 2001 and succeeding crop years.

The RA policies, endorsement, underwriting rules, questions and answers, and actuarial documents for the 2001 crop year will be released electronically to all reinsured companies through FCIC's Website.

**Notice:** Accordingly, the publication on January 11, 2000, of the Notice of Availability at 65 FR 1677-1702 is adopted for the 2001 crop year as amended to revise the Revenue Assurance Insurance Policy Basic Provisions, delete the Spring Wheat Crop Provisions and add the Revenue Assurance Wheat Crop Provisions and the Winter Wheat Coverage Endorsement, effective beginning with the 2001 RA winter wheat crop program of insurance as follows:

1. Amend the Basic Provisions to:
  - Revise the definitions of "approved yield," "expected per-acre revenue," and "per-acre revenue guarantee" in section 1;
  - Revise sections 8(d) and (e); and
  - Add a new section 35.

#### **Revenue Assurance Insurance Policy Basic Provisions**

*Approved yield.* The actual production history (APH) yield determined in accordance with 7 CFR part 400, subpart G, including any adjustments elected under section 35.

*Expected per-acre revenue.* The approved yield times the projected harvest price (see section 1 of the Crop Provisions) for optional or basic units. A weighted average is used for enterprise or whole farm units.

*Per-acre revenue guarantee.* The coverage level percent times your approved yield, times the projected harvest price. If you choose the fall harvest price option provided in the Crop Provisions, the per-acre revenue

guarantee equals the coverage level percent, times the approved yield, times the greater of the projected harvest price or the fall harvest price (see section 1 of the Crop Provisions). For basic and optional units, the per-acre revenue guarantee may vary by unit. For an enterprise unit, the per-acre revenue guarantee is a weighted average and will be the same for all insured acres of the crop in the county. For the whole farm unit, the per-acre revenue guarantee is a weighted average and will be the same for all insured acres in the county.

#### **8. Annual Premium and Administrative Fees**

(d) The premium subsidy amount depends on the coverage level percent and is calculated by multiplying the premium times the subsidy factor. If the coverage level percent is equal to or greater than .6500 and less than .7500, the premium subsidy factor is .59. If the coverage level percent is equal to or greater than .7500 and less than .8000, the premium subsidy factor is .55. If the coverage level percent is equal to or greater than .8000 and less than .8500, the premium subsidy factor is .48. If the coverage level percent is equal to or greater than .8500, the premium subsidy factor is .38. The producer premium equals the premium less the premium subsidy.

(e) In addition to the premium charged:

- (1) You, unless otherwise authorized in 7 CFR part 400, must pay an administrative fee of \$30 per crop per county for each crop year in which crop insurance coverage remains in effect;
- (2) The administrative fee must be paid no later than the time that premium is due;
- (3) Payment of an administrative fee will not be required if you file a bona fide zero acreage report on or before the acreage reporting date for the crop. If you falsely file a zero acreage report, you may be subject to criminal and administrative sanctions;
- (4) The administrative fee will be waived if you request it and you qualify as a limited resource farmer; and
- (5) Failure to pay the administrative fees when due may make you ineligible for certain other USDA benefits.

#### **35. Substitution of Yields**

You may elect to exclude actual yields used to calculate the APH yield that are less than 60 percent of the applicable transitional yield (T-yield), as defined in 7 CFR 400.52. Each excluded actual yield will be replaced with a yield equal to 60 percent of the applicable T-yield for the county. The replacement yields will be used in the

same manner as actual yields for the purpose of calculating the APH yield. Premium rates for approved yields that are adjusted under this section will be based on your yield prior to replacing the actual yields or such other basis as determined appropriate by us.

2. Add the Revenue Assurance Wheat Crop Provisions as follows:

### Revenue Assurance Wheat Crop Provisions

This is a pilot risk management program. This risk management tool will be reinsured under the authority provided by the Federal Crop Insurance Act as amended. If a conflict exists among the policy provisions, the order of priority is as follows: (1) the Special Provisions; (2) these Crop Provisions; and (3) the Basic Provisions with (1) controlling (2), etc.

#### 1. Definitions

*Adequate stand.* A population of live plants per unit of acreage which will produce at least the yield used to establish your revenue guarantee.

*CBOT.* The Chicago Board of Trade.

*Fall harvest price.* The price used to value production to count. For spring wheat, the fall harvest price is the simple average of the final daily settlement prices in August for the MGE September hard red spring wheat futures contract. This price will be released on or before September 5. For winter wheat in Idaho, Indiana, Kentucky, Michigan, Ohio and Tennessee, the fall harvest price is the simple average of the final daily settlement prices from July 1 to July 14 for the CBOT July soft red winter wheat futures contract. For Arkansas, Colorado, Iowa, Kansas, Missouri, Oklahoma and South Dakota, the fall harvest price is the simple average of the final daily settlement prices from July 1 to July 14 for the KCBT July hard red winter wheat futures contract. This price will be released on or before August 5.

*Fall harvest price option.* A coverage option that allows you to use the greater of the projected harvest price or the fall harvest price to determine your per acre revenue guarantee. For basic, optional, and enterprise units, this option applies to all insurable acres of a crop in the county. For the whole-farm unit, this option will apply to all insurable acres of the applicable crops in the county. This option must be selected by the sales closing date and is continuous unless canceled by the crop sales closing date.

*Harvest.* Combining or threshing the insured crop for grain. A crop which is

swathed prior to combining is not considered harvested.

*Initially planted.* The first occurrence of planting the insured crop on insurable acreage for the crop year.

*KCBT.* The Kansas City Board of Trade.

*Latest final planting date.*

(a) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate a final planting date for spring-planted acreage only;

(b) The final planting date for fall-planted acreage in all counties for which the Special Provisions designate a final planting date for fall-planted acreage only; or

(c) The final planting date for spring-planted acreage in all counties for which the Special Provisions designate final planting dates for both spring-planted and fall-planted acreage.

*Local market price.* The cash grain price per bushel for the U.S. No. 2 grade of wheat offered by buyers in the area in which you normally market the insured crop. The local market price will reflect the maximum limits of quality deficiencies allowable for the U.S. No. 2 grade of wheat. Factors not associated with grading under the Official United States Standards for Grain, including but not limited to protein, oil or moisture content, or milling quality will not be considered.

*MGE.* Minneapolis Grain Exchange.

*Nurse crop (companion crop).* A crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown.

*Planted acreage.* In addition to the definition contained in the Basic Provisions, land on which seed is initially spread onto the soil surface by any method and subsequently is mechanically incorporated into the soil in a timely manner and at the proper depth will be considered planted.

*Prevented planting.* In lieu of the definition contained in the Basic Provisions, failure to plant the insured crop with proper equipment by the latest final planting date designated in the Special Provisions for the insured crop in the county or by the end of the late planting period. You must have been prevented from planting the insured crop due to an insured cause of loss that also prevented most producers from planting on acreage with similar characteristics in the surrounding area.

*Prevented planting guarantee.* The prevented planting guarantee for such acreage will be the selected percentage of the per-acre revenue guarantee for timely planted acres.

*Projected harvest price.* The price used to determine the expected per-acre revenue. For spring wheat the projected harvest price is the simple average of the final daily settlement prices in February for the MGE September hard red spring wheat futures contract. The projected harvest price for spring wheat will be released on or before March 5 of the current crop year. For winter wheat in Idaho, Indiana, Kentucky, Michigan, Ohio and Tennessee, the projected harvest price is the simple average of the final daily settlement prices from August 15 to September 14 for the following year CBOT July soft red winter wheat futures contract. For Arkansas, Colorado, Iowa, Kansas, Missouri, Oklahoma and South Dakota, the projected harvest price is the simple average of the final daily settlement prices from August 15 to September 14 for the following year KCBT July hard red winter wheat futures contract. The projected harvest price for winter wheat will be released on or before September 20 of the current crop year.

*Sales closing date.* In lieu of the definition contained in the Basic Provisions, a date contained in the Special Provisions by which an application must be filed and by which you may change your crop insurance coverage for a crop year. If the Special Provisions provide a sales closing date for both winter and spring types of the insured crop and you plant any insurable acreage of the winter type, you may not change your crop insurance coverage after the sales closing date for the winter type.

*Swathed.* Severance of the stem and grain head from the ground without removal of the seed from the head and placing into a windrow.

#### 2. Unit Division

(a) In addition to the requirements of section 2(b) of the Basic Provisions, in addition to, or instead of, establishing optional units by section, section equivalent or FSA farm serial number and by irrigated and non-irrigated practices, optional units may be established if each optional unit contains only initially planted winter wheat or only initially planted spring wheat. Optional units may be established in this manner only in counties having both winter and spring type final planting dates as designated in the Special Provisions.

(b) Winter wheat can not be insured under a whole-farm unit.

(c) In lieu of section 2(e) of the Basic Provisions that prohibits you from electing any other unit structure if you elect a whole farm unit, you must elect either a basic, optional, or enterprise

unit for your winter wheat even if you have elected a whole farm unit that includes spring wheat.

(d) If you qualify for and elect either a basic or optional unit for your winter wheat and you elect a whole farm unit on your spring crops, that includes spring wheat, your coverage level for the whole farm unit will be limited to the coverage level you elected for basic and optional units.

(e) If you qualify for and elect either a basic or optional unit for your winter wheat and you elect a whole farm unit on your spring crops, that does not include spring wheat, you may elect any applicable coverage level for the whole farm unit.

3. Contract Changes

In accordance with section 5 of the Basic Provisions, the contract change

date is December 31 preceding the cancellation date for counties with a March 15 cancellation date and June 30 preceding the cancellation date for all other counties.

4. Cancellation and Termination Dates

The cancellation and termination dates are:

State and county	Cancellation date	Termination date
All Colorado counties except Alamosa, Archuleta, Conejos, Costilla, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Rio Grande, Routt, Saguache, and San Miguel; all Iowa counties except Plymouth, Cherokee, Buena Vista, Pocahontas, Humbolt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, Dubuque and all Iowa counties north thereof; all Wisconsin counties except Buffalo, Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, Kewaunee, and all Wisconsin counties north thereof; all other states except Alaska, Arizona, California, Connecticut, Idaho, Maine, Massachusetts, Minnesota, Montana, Nevada, New Hampshire, New York, North Dakota, Oregon, Rhode Island, South Dakota, Utah, Vermont, Washington, and Wyoming.	September 30 .....	September 30.
Archuleta, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Routt, and San Miguel counties, Colorado; Connecticut; Idaho; Plymouth, Cherokee, Buena Vista, Pocahontas, Humboldt, Wright, Franklin, Butler, Black Hawk, Buchanan, Delaware, and Dubuque counties, Iowa, and all Iowa counties north thereof; Massachusetts; all Montana counties except Daniels and Sheridan; New York; Oregon; Rhode Island; all South Dakota counties except Corson, Walworth, Edmonds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Turner, Yankton and all South Dakota counties north and east thereof; Washington; Buffalo, Trempealeau, Jackson, Wood, Portage, Waupaca, Outagamie, Brown, and Kewaunee counties, Wisconsin, and all Wisconsin counties north thereof; and all Wyoming counties except Big Horn, Fremont, Hot Springs, Park, and Washakie.	September 30 .....	November 30.
Arizona; California; Nevada; and Utah .....	October 31 .....	November 30.
Alaska; Alamosa, Conejos, Costilla, Rio Grande, and Saguache counties, Colorado; Maine; Minnesota; Daniels and Sheridan counties, Montana; New Hampshire; North Dakota; Corson, Walworth, Edmonds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Turner, and Yankton counties, South Dakota, and all South Dakota counties north and east thereof; Vermont; and Big Horn, Fremont, Hot Springs, Park, and Washakie counties, Wyoming.	March 15 .....	March 15.

5. Annual Premium

In addition to the provisions of section 8 of the Basic Provisions, your per-acre premium on a unit is determined using the premium calculator. Your per-acre premiums will differ by crop and unit structure.

(a) Basic unit: The annual premium for a basic unit equals the per-acre premium, times the number of insured acres in the unit, times your share.

(b) Optional unit: The annual premium for an optional unit equals the per-acre premium, times an optional unit surcharge factor, times the number of insured acres in the optional unit, times your share. The optional unit surcharge factor is 1.10.

(c) Enterprise unit: The annual premium for an enterprise unit equals the per-acre premium, times the number of insured acres in the unit, times your share. The per-acre premium decreases as the number of legally defined sections on which you have insured acreage increases up to a maximum of 10 sections.

(d) Whole-farm unit: The annual premium for a whole-farm unit equals the per-acre premium, times the number

of insured acres in the unit, times your share. The insured per-acre premium decreases as the number of legally defined sections on which you have insured acreage increases up to a maximum of 10 sections. The per-acre premium also depends on the proportions of insured crop acres on the unit. For example, if the unit contains corn, soybeans, and spring wheat, the per-acre premium will depend on the ratio of corn to soybean insured acres, the ratio of corn to spring wheat insured acres, and the ratio of soybean to spring wheat insured acres.

6. Insured Crop

(a) In accordance with section 9 of the Basic Provisions, the crop insured will be all the spring wheat and winter wheat in the county for which a premium rate is provided by the premium calculator:

- (1) In which you have a share;
- (2) That is adapted to the area based on days to maturity and is compatible with agronomic and weather conditions in the area;
- (3) That is planted for harvest as grain; and

(4) That is not (unless allowed by the Special Provisions):

- (i) Interplanted with another crop;
- (ii) Planted into an established grass or legume; or
- (iii) Planted as a nurse crop, unless planted as a nurse crop for new forage seeding, but only if seeded at a normal rate and intended for harvest as grain.

(b) If you anticipate destroying any acreage prior to harvest you:

- (1) May report all planted acreage when you report your acreage for the crop year and specify any acreage to be destroyed as uninsurable acreage. (By doing so, no coverage will be considered to have attached on the specified acreage and no premium will be due for such acreage. If you do not destroy such acreage, you will be subject to the under-reporting provisions contained in section 7 of the Basic Provisions); or
- (2) If the actuarial documents provide a reduced premium rate for acreage destroyed by a date designated in the Special Provisions, you may report all planted acreage as insurable when you report your acreage for the crop year. Premium will be due on all the acreage. Your premium amount will be reduced

by the amount shown on the actuarial documents for any acreage you destroy prior to a date designated in the Special Provisions if you do not claim an indemnity on such acreage. You must obtain our consent before and give us notice after you destroy any of the insured crop so your acreage report can be revised to make you eligible for this reduction in premium.

(c) In counties for which the Wheat Special Provisions designate both fall and spring final planting dates, you may elect a winter coverage endorsement for wheat. This endorsement provides two options for alternative coverage for wheat that is damaged between the fall final planting date and the spring final planting date. Coverage under the endorsement will be effective only if you designate the coverage option you elect by executing the endorsement by the sales closing date for winter wheat in the county.

#### 7. Insurance Period

In lieu of the requirements under section 12 of the Basic Provisions, and subject to any provisions provided by the Winter Wheat Coverage Endorsement if you have elected such endorsement, the insurance period is as follows:

(a) Insurance attaches on each unit or part thereof on the later of the date we accept your application or the date the insured crop is planted.

(1) The following limitations apply:

(i) The acreage must be planted on or before the final planting date designated in the Special Provisions for the type (winter or spring) except as allowed in section 12 of these Crop Provisions and section 17 of the Basic Provisions.

(ii) Whenever the Special Provisions designate only a fall final planting date, any acreage of winter wheat damaged before such final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a winter type unless we agree that replanting is not practical.

(iii) Whenever the Special Provisions designate both fall and spring final planting dates, winter wheat planted on or before the fall final planting date which is damaged:

(A) Before the fall final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a winter type of the insured crop unless we agree that replanting is not practical.

(B) On or after the fall final planting date, but before the spring final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to an

appropriate variety of wheat unless we agree that replanting is not practical.

If you have elected coverage under one of the available wheat winter coverage options available in the county, the insurance period for wheat will be in accordance with the selected options.

(iv) Whenever the Special Provisions designate a spring final planting date, any acreage of spring wheat damaged before such final planting date, to the extent that growers in the area would normally not further care for the crop, must be replanted to a spring type unless we agree that replanting is not practical.

(v) Whenever the Special Provisions designate only a spring final planting date, any acreage of fall planted wheat is not insured unless you request such coverage and we agree in writing that the acreage has an adequate stand in the spring to produce the yield used to determine your revenue guarantee. Insurance will then attach to acreage having an adequate stand on the earlier of the spring final planting date or the date we agree to accept the acreage for insurance. If such fall planted acreage is not to be insured it must be recorded on the acreage report as an uninsured fall planted crop.

(b) Insurance ends on each unit at the earliest of:

(1) Total destruction of the insured crop on the unit;

(2) Harvest of the unit;

(3) Final adjustment of a loss on the unit;

(4) October 31 of the calendar year in which the crop is normally harvested; or

(5) Abandonment of the crop on the unit.

#### 8. Causes of Loss

In accordance with the provisions of section 13 of the Basic Provisions, insurance is provided only against the following causes of loss which occur within the insurance period that results in an unavoidable loss of revenue:

(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;

(h) Failure of the irrigation water supply, if applicable, due to a cause of loss contained in sections 8(a) through (g) occurring within the insurance period; or

(i) A decline in the fall harvest price below the projected harvest price.

#### 9. Replanting Payment

(a) A replanting payment for wheat is allowed as follows:

(1) You comply with all requirements regarding replanting payments contained under section 14 of the Basic Provisions and in the Winter Wheat Coverage Endorsement for which you are eligible and which you have elected;

(2) The wheat must be damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the revenue guarantee for the acreage. The projected harvest price is used to determine if 90 percent of the unit revenue guarantee can be achieved;

(3) The acreage must have been initially planted to spring wheat in those counties with only a spring final planting date;

(4) The damage must occur after the fall final planting date in those counties where both a fall and spring final planting date are designated;

(5) Replanting must take place not later than 25 days after the spring final planting date; and

(6) The replanted wheat must be seeded at a rate that is normal for initially planted wheat (if new seed is planted at a reduced seeding rate into a partially damaged stand of wheat, the acreage will not be eligible for a replanting payment).

(b) No replanting payment will be made for acreage initially planted to winter wheat in any county for which the Special Provisions contain only a fall final planting date.

(c) In accordance with section 14(c) of the Basic Provisions, the maximum amount of the replanting payment per acre will be your share times the lesser of 20 percent of the per-acre revenue guarantee based on the projected harvest price or an amount equal to 3 bushels, times the projected harvest price.

(d) When wheat is replanted using a practice that is uninsurable for an original planting, the liability for the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.

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

In accordance with the requirements of section 15 of the Basic Provisions, if you initially discover damage to any insured crop within 15 days of, 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 each field in the unit, and must not be harvested or destroyed until the earlier

of our inspection or 15 days after harvest of the unit is completed.

#### 11. Settlement of Claim

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

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

(2) For any basic units, 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 using the following procedures:

(1) Basic and Optional units: We will settle your claim on each basic or optional unit by:

(i) Multiplying the unit's per-acre revenue guarantee by the number of insured acres in the unit;

(ii) Multiplying the fall harvest price by the production to count for each unit (see sections 11(c) through (e));

(iii) Subtracting the result of section 11(b)(1)(ii) from the result of section 11(b)(1)(i); and

(iv) Multiplying the results of section 11(b)(1)(iii) by your share.

If the result of section 11(b)(1)(iv) is greater than zero, an indemnity equal to that result will be paid to you. If the result is less than or equal to zero, no indemnity will be paid.

(2) Enterprise units: We will settle your claim on an enterprise unit by:

(i) Multiplying the enterprise unit's per-acre revenue guarantee by the number of insured acres in the enterprise unit;

(ii) Multiplying the fall harvest price by the production to count for the enterprise unit;

(iii) Subtracting the result of section 11(b)(2)(ii) from the result of section 11(b)(2)(i); and

(iv) Multiplying the result of section 11(b)(2)(iii) by your share.

If the result of section 11(b)(2)(iv) is greater than zero, an indemnity equal to that result will be paid to you. If the result is less than or equal to zero, no indemnity will be paid.

(3) Whole-farm units: We will settle your claim on a whole-farm unit by:

(i) Multiplying the per acre revenue guarantee for each crop by the number of insured acres planted to each crop;

(ii) Totaling the results of section 11(b)(3)(i);

(iii) Multiplying the fall harvest price for each crop by the production to count for each crop;

(iv) Totaling the results of section 11(b)(3)(iii);

(v) Subtracting the result of section 11(b)(3)(iv) from the result of section 11(b)(3)(ii); and

(vi) Multiplying the result of section 11(b)(3)(v) by your share.

If the result of section 11(b)(3)(vi) is greater than zero, an indemnity equal to that result will be paid to you. If the result is less than or equal to zero, no indemnity will be paid.

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

(1) All appraised production as follows:

(i) Not less than the per-acre revenue guarantee will be used for such acreage:

(A) That is abandoned;

(B) Put to another use without our consent;

(C) Damaged solely by uninsured causes; or

(D) For which you fail to provide acceptable production records;

(ii) Production lost due to uninsured causes;

(iii) Unharvested production (mature unharvested production may be adjusted for quality deficiencies and excess moisture in accordance with section 11(d)); and

(iv) Potential production on insured acreage that you intend to put to another use or you wish to abandon and 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 when 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.

(d) Mature wheat production may be adjusted for excess moisture and quality

deficiencies. If moisture adjustment is applicable, it will be made prior to any adjustment for quality.

(1) Production will be reduced by 0.12 percent for each 0.1 percentage point of moisture in excess of 13.5 percent. We may obtain samples of the production to determine the moisture content.

(2) Production will be eligible for quality adjustment if:

(i) Deficiencies in quality, in accordance with the Official United States Standards for Grain, result in wheat not meeting the grade requirements for U.S. No. 4 (grades U.S. No. 5 or worse) because of test weight, total damaged kernels (heat-damaged kernels will not be considered to be damaged), shrunken or broken kernels, defects (foreign material and heat damage will not be considered to be defects), a musty, sour, or commercially objectional foreign odor (except smut odor), or grading garlicky, light smutty, smutty or ergoty;

(ii) Substances or conditions are present, including mycotoxins, that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.

(3) Quality will be a factor in determining your loss only if:

(i) The deficiencies, substances, or conditions resulted from a cause of loss against which insurance is provided under these crop provisions;

(ii) All determinations of these deficiencies, substances, or conditions are made using samples of the production obtained by us or by a disinterested third party approved by us; and

(iii) The samples are analyzed by a grader licensed to grade the wheat under the authority of the United States Grain Standards Act or the United States Warehouse Act with regard to deficiencies in quality, or by a laboratory approved by us with regard to substances or conditions injurious to human or animal health. Test weight for quality adjustment purposes may be determined by our loss adjuster.

(4) The wheat production that is eligible for quality adjustment, as specified in sections 11(d)(2) and (3), will be reduced by the quality adjustment factor contained in the Special Provisions.

(e) Any production harvested from plants growing in the wheat may be counted as production of the wheat on a weight basis.

#### 12. Late Planting

A late planting period is not applicable to fall-planted wheat. Any

winter wheat that is planted after the fall final planting date in counties for which the Special Provisions also contain a final planting date for spring wheat will not be insured. Any winter wheat that is planted after the fall final planting date in counties for which the Special Provisions contain only a fall final planting date will not be insured unless you were prevented from planting the winter wheat by the fall final planting date. Such acreage will be insurable, and the revenue guarantee and premium for the acreage will be determined in accordance with sections 17(b) and (c) of the Basic Provisions

### 13. Prevented Planting

(a) In addition to the provisions contained in section 18 of the Basic Provisions, in counties for which the Special Provisions designate a spring final planting date, your prevented planting per-acre revenue guarantee will be based on your approved yield for spring-planted acreage of the insured crop.

(b) Your prevented planting coverage will be 60 percent of your per-acre revenue guarantee for timely planted acreage. You may increase your prevented planting coverage to a level specified in the actuarial documents by paying an additional premium.

3. Add the Revenue Assurance Optional Endorsement Winter Wheat Coverage Endorsement as follows:

#### **Revenue Assurance Optional Endorsement Winter Wheat Coverage Endorsement**

(This is a Continuous Endorsement)

(a) In return for payment of the additional premium as indicated in the premium calculator, this endorsement is attached to and made a part of your Revenue Assurance Wheat Crop Provisions subject to the terms and conditions described herein.

(b) This endorsement is available only in counties for which the Special Provisions designate both a fall final planting date and a spring final planting date.

(c) This endorsement modifies the provisions of sections 7 and 11 of the Revenue Assurance Wheat Crop Provisions.

(1) You must have the Revenue Assurance Wheat Crop Policy in force.

(2) You may select either Option A or Option B. Failure to select either Option A or Option B means that you have rejected both Options and this endorsement would be void.

(3) Insurance Period. Coverage under this endorsement begins on the later of the date we accept your application for

coverage or on the fall final planting date designated in the Special Provisions. Coverage ends on the spring final planting date designated in the Special Provisions.

(4) The provisions under section 15 of the Revenue Assurance Insurance Policy Basic Provisions are amended to require that all notices of damage must be provided to us by the spring final planting date designated in the Special Provisions.

#### **Option A (30 Percent Coverage and Acreage Release)**

Whenever any winter wheat is damaged during the insurance period (see section (c)(3) above), and at least 20 acres or 20 percent of the acreage in the unit, whichever is less, does not have an adequate stand to produce at least 90 percent of the Revenue Guarantee for the acreage (to calculate the actual percentage, multiply the appraised production determined in accordance with section 11(c)(1) of the Revenue Assurance Wheat Crop Provisions times the Projected Harvest Price and then divide that quantity by the Revenue Guarantee), you may, at your option, take one of the following actions:

(a) Destroy the remaining crop on such acreage. By doing so, you agree to accept an amount of Calculated Revenue equal to 70 percent of the Revenue Guarantee as revenue to count for the damaged acreage, or an appraisal determined in accordance with section 11(c)(1) of the Revenue Assurance Wheat Crop Provisions if such an appraisal results in a greater amount of Calculated Revenue. This amount will be considered Calculated Revenue to Count in determining any final indemnity on the unit and will be used to settle your claim as described in the provisions under section 11 of the Revenue Assurance Wheat Crop Provisions. You may use such acreage for any purpose, including planting and separately insuring any other crop. If you elect to utilize such acreage for the production of spring wheat, you must:

(1) Plant the spring wheat in a manner that results in a clear and discernible break in the planting pattern at the boundary between it and any remaining winter wheat; and

(2) Store or market the production from such acreage in such a manner that permits us to verify the amount of spring wheat production separately from any winter wheat production. In the event you are unable to provide records of production that are acceptable to us, the spring wheat acreage will be considered to be a part of the original winter wheat unit. If you elected to insure the spring wheat

acreage as a separate optional unit, any premium amount for such acreage will be considered earned and payable to us.

(b) Continue to care for the damaged crop. By doing so, coverage will continue under the terms of the Revenue Assurance Insurance Policy Basic Provisions, Revenue Assurance Wheat Crop Provisions, and this Option.

(c) Replant the acreage to an appropriate variety of wheat, if it is practical, and receive a replanting payment in accordance with the terms of section 9 of the Revenue Assurance Wheat Crop Provisions. By doing so, coverage will continue under the terms of the Revenue Assurance Insurance Policy Basic Provisions, the Revenue Assurance Wheat Crop Provisions, and this Option, and the Revenue Guarantee for winter wheat will remain in effect

#### **Option B (With Full Winter Damage Coverage)**

Whenever any winter wheat is damaged during the insurance period (see section (c)(3) above), and at least 20 acres or 20 percent of the acreage in the unit, whichever is less, does not have an adequate stand to produce at least 90 percent of the Revenue Guarantee for the acreage (to calculate the actual percentage, multiply the appraised production determined in accordance with section 11(c)(1) of the Revenue Assurance Wheat Crop Provisions times the Projected Harvest Price and then divide that quantity by the Revenue Guarantee), you may, at your option, take one of the following actions:

(a) Continue to care for the damaged crop. By doing so, coverage will continue under the terms of the Revenue Assurance Insurance Policy Basic Provisions, the Revenue Assurance Wheat Crop Provisions, and this Option.

(b) Replant the acreage to an appropriate variety of wheat, if it is practical, and receive a replanting payment in accordance with the terms of section 9 of the Revenue Assurance Wheat Crop Provisions. By doing so, coverage will continue under the terms of the Revenue Assurance Insurance Policy Basic Provisions, the Revenue Assurance Wheat Crop Provisions, and this Option, and the Final Guarantee for winter wheat will remain in effect.

(c) Accept our appraisal of the crop on the damaged acreage as Calculated Revenue to count against the Revenue Guarantee for the damaged acreage, destroy the remaining crop on such acreage, and be eligible for any indemnity due under the terms of the Revenue Assurance Insurance Policy Basic Provisions and the Revenue Assurance Wheat Crop Provisions. The

appraisal will be considered Calculated Revenue in determining any final indemnity on the unit and will be used to settle your claim as described in the provisions of section 11 of the Revenue Assurance Wheat Crop Provisions. You may use such acreage for any purpose, including planting and separately insuring any other crop. If you elect to utilize such acreage for the production of spring wheat, you must:

(1) Plant the spring wheat in a manner that results in a clear and discernible break in the planting pattern at the boundary between it and any remaining winter wheat; and

(2) Store or market the production from such acreage in a manner which permits us to verify the amount of spring wheat production separately from any winter wheat production. In the event you are unable to provide records of production that are acceptable to us, the spring wheat acreage will be considered to be a part of the original winter wheat unit. If you elected to insure the spring wheat acreage as a separate optional unit, any premium amount for such acreage will be considered earned and payable to us.

Signed in Washington, D.C., on June 29, 2000.

**Kenneth D. Ackerman,**  
Manager, Federal Crop Insurance Corporation.

[FR Doc. 00-17149 Filed 7-6-00; 8:45 am]

BILLING CODE 3410-08-P

## DEPARTMENT OF AGRICULTURE

### Federal Crop Insurance Corporation

#### Crop Revenue Coverage

**ACTION:** Notice of availability.

**SUMMARY:** In accordance with section 508(h) of the Federal Crop Insurance Act (Act), since 1996 the Federal Crop Insurance Corporation (FCIC) Board of Directors (Board) has approved for reinsurance and subsidy the insurance of corn, grain sorghum, soybeans, cotton, rice, and wheat in select states and counties under the Crop Revenue Coverage (CRC) plan of insurance submitted by American Agrisurance (AmAg). This notice is intended to inform eligible producers and the private insurance industry of revisions to the Crop Revenue Coverage (CRC) Insurance Policy Basic Provisions, the Crop Revenue Coverage Insurance Policy Wheat Crop Provisions, and the Crop Revenue Coverage Mandatory Actuarial Document Endorsement Commodity Exchange Endorsement—

Wheat, for the 2001 and succeeding crop years.

**FOR FURTHER INFORMATION CONTACT:** Tim Hoffmann, Director, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 6501 Beacon Dr., Kansas City, Missouri 64133, telephone (816) 926-7387.

**SUPPLEMENTARY INFORMATION:** Section 508(h) of the Act allows for the submission of a policy to FCIC's Board and authorizes the Board to review and, if the Board finds that the interests of producers are adequately protected and that any premiums charged to the producers are actuarially appropriate, approve the policy for reinsurance and subsidy in accordance with section 508(e) of the Act.

In accordance with section 508(h) of the Act, the Board approved a program of insurance known as CRC, submitted by American Agrisurance, an exclusive marketing agent and wholly owned subsidiary of Acceptance Insurance Companies, Inc. All terms and conditions of the policy and all premium rates are determined by AmAg. FCIC does not have the authority to modify or waive any terms or conditions. FCIC only has the authority to approve or disapprove the terms and conditions submitted by AmAg.

The CRC program has been approved for reinsurance and premium subsidy, including subsidy for administrative and operating expenses in an amount authorized under section 508(e) of the Act. CRC is designed to protect producers against both price and yield losses.

On Tuesday, November 30, 1999, FCIC published a Notice of availability in the **Federal Register** at 64 FR 66839-66866 to revise the Basic Provisions, Crop Provisions, and Commodity Exchange Endorsements to be effective beginning with the 2000 CRC spring crop programs.

AmAg has requested the CRC program for winter wheat for the 2001 crop year be changed to remove the CRC base price and harvest price for Winter Durum Wheat in Arizona and California, incorporate changes to allow for continuous rating of crop insurance policies, change the cancellation and termination dates for some counties and make minor edits for clarification. The CRC program for durum wheat is being removed from Arizona and California because of an inability to determine prices from the current market. Other changes made include those changes in the administrative fees and producer subsidies as well as the substitution of yields in the producers's actual

production history mandated by the Agricultural Risk Protection Act of 2000.

Accordingly, FCIC herewith gives notice of the above stated changes for the 2001 and succeeding crop years.

The CRC policies, endorsements, underwriting rules, questions and answers, premium calculation worksheet, and actuarial documents for the 2001 crop year will be released electronically to all reinsured companies through FCIC's Website.

**Notice:** Accordingly, the publication on November 30, 1999, Notice of availability at 64 FR 66839-66866 is adopted with revisions to the Crop Revenue Coverage (CRC) Insurance Policy Basic Provisions, Crop Revenue Coverage Insurance Policy Wheat Crop Provisions, and Crop Revenue Coverage Mandatory Actuarial Document Endorsement Commodity Exchange Endorsement—Wheat, effective beginning with the 2001 crop year as follows:

#### Crop Revenue Coverage (CRC) Insurance Policy Basic Provisions

1. In section 1, the definitions of "actuarial documents," "additional coverage," "administrative fee," and "approved yield" are revised to read as follows:

*Actuarial documents.* The material for the crop year which is available for public inspection in your agent's office, and which show the revenue guarantees, coverage levels, practices, insurable acreage, and other related information regarding crop insurance in the county.

*Additional coverage.* A level of coverage equal to or greater than 50 percent of the approved yield indemnified at 100 percent of the Base Price, or a comparable coverage.

*Administrative fee.* An amount you must pay for additional coverage for each crop year as specified in section 8.

*Approved yield.* The actual production history (APH) yield determined in accordance with 7 CFR part 400, subpart G, including any adjustments elected under section 35. This yield is established for basic or optional units. The approved yield for each basic or optional unit comprising an enterprise unit is retained for premium and final guarantee purposes under an enterprise unit.

2. In section 1, the definition of "base premium rate" has been added to read as follows:

*Base premium rate.* A premium rate used to calculate the risk associated with yield.

3. In section 1, the definition of "CRC rate" has been replaced with "CRC base rate" and is revised to read as follows: