

Risk Management Agency 1996 Research and Development Bulletins

**This File is Optimized for Adobe Acrobat Reader 3.0
Download Free from Adobe Systems at
<http://www.adobe.com>**

**Spokane Regional Service Office
USDA Risk Management Agency
112 N University Road Ste 205
Spokane, WA 99206-5275
(509) 353-2147
Fax (509) 353-3149
Email rsowa@rm.fcic.usda.gov**

R&D-96-001	1995 Group Risk Plan Preliminary Payments
R&D-96-002	Pilot Crop Insurance Program Announcement for Millet
R&D-96-003	Income Protection Pilot Program
R&D-96-003.1	Income Protection Pilot Program - Correction to Purchase Date
R&D-96-004	Millet Program Documents Effective for the 1996 Crop Year
R&D-96-005	Nursery: Multiple Species Grown Together in a Common Container
R&D-96-006	1996 Projected Price for Income Protection - Cotton
R&D-96-007	1996 Crop Revenue Coverage and Income Protection Price announcements
R&D-96-008	Malting Barley Price and Quality Endorsement for the 1996 Crop Year
R&D-96-008.1	Malting Barley Price and Quality Endorsement for the 1996 Crop Year
R&D-96-009	Data Processing Managers' Meeting Results
R&D-96-010	1995 Group Risk Plan Final Payments
R&D-96-011	1996 Data Acceptance System (DAS) Handbook Slipsheets
R&D-96-012	April 15 Actuarial Filing
R&D-96-013	April 30 Actuarial Filing
R&D-96-014	Summary of Business Data by Delivery System
R&D-96-015	1995 Group Risk Plan Final Payments
R&D-95-016	Insurability of Nursery Crops Grown in Nursery Containers Buried in the round
R&D-96-017	Insurability of Certain Varieties High-Oil Corn
R&D-96-018	May 31 Actuarial Filing
R&D-96-019	Addendum - Actuarial Table (Special Provisions)
R&D-96-019.1	Addendum - 1997 Actuarial Table (Special Provisions) Correction
R&D-96-020	Continuous Hail and Fire Exclusion Option Form
R&D-96-021	Insurability of Certain Varieties High-Protein Corn
R&D-96-022	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-023	1995 Group Risk Plan Final Payments
R&D-96-024	Group Risk Plan (GRP) Common Policy and Barley and Wheat Crop Provisions for the 1997 Crop Year
R&D-96-025	Reactivation of FSA-423's
R&D-96-026	1996 Data Acceptance System (DAS) Handbook Slipsheets
R&D-96-027	Addendum - 1997 Actuarial Table (Special Provisions) Filing
R&D-96-028	1995 Group Risk Plan Final Payments
R&D-96-029	1997 Data Acceptance System (DAS) Handbook Exhibits

R&D-96-030	June 30 Actuarial
R&D-96-031	Pilot Crop Insurance Program Announcement for Avocado
R&D-96-032	CAT Policy Data for Single Delivery States
R&D-96-033	Crop Revenue Coverage (CRC) Wheat
R&D-96-033.1	Crop Revenue Coverage (CRC) Wheat
R&D-96-034	Income Protection - Wheat Pilot Program Expansion
R&D-96-034.1	Income Protection - Wheat Pilot Program Refiled Actuarial Materials
R&D-96-035	Issuance of the 1997 FCIC 18010 Crop Insurance Handbook
R&D-96-036	Crop Revenue Coverage Wheat Pilot Program and Small Grains Quality Adjustment Revisions for the 1997 Crop Year.
R&D-96-037	Collection of Catastrophic Risk Protection Administrative Fees When Transfers Are Involved
R&D-96-038	1997 Wheat Crop Revenue Coverage (CRC) - Price Factor Estimates
R&D-96-039	1996 Crop Revenue Coverage (CRC) - Early Loss Payments
R&D-96-040	1996 Support Prices for Peanuts
R&D-96-041	Actuarial Release
R&D-96-042	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-042.1	Addendum - 1997 Actuarial Table (Special Provisions) - Correction
R&D-96-042.2	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-043	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-044	Addendum: 1997 Actuarial Table (Special Provisions)
R&D-96-044.1	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-045	Texas Citrus Fruit Crop Insurance Provisions
R&D-96-046	Issuance of the 1997 FCIC 18100 Catastrophic Risk Protection Handbook
R&D-96-047	1997 Canola Expansion Actuarial Materials
R&D-96-048	1997 Blueberry Expansion Actuarial Materials
R&D-96-049	Minimum Plant Count for Irrigated Alfalfa in South Dakota.
R&D-96-050	Extension of the Pilot Program Providing Assigned Yields for New Producers For the 1997 Crop Year
R&D-96-051	Arizona-California Citrus Crop Insurance Provisions
R&D-96-052	Pima Cotton Rainfall Weather Insurance Policy
R&D-96-052.1	Pima Cotton Rainfall Weather Insurance Policy - Correction
R&D-96-053	7 CFR PART 400 - Subpart T - General Administrative Regulations
R&D-96-054	Catastrophic Risk Protection Endorsement

R&D-96-055	Addendum to 1997 Actuarial Table -- 1997 Wheat Crop Revenue Coverage (CRC) - Base Prices and Price Factors
R&D-96-056	1996 Income Protection Price Announcements
R&D-96-057	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-058	1996 Group Risk Plan Preliminary Payments
R&D-96-059	Update on MGR-96-041 - Transferring Catastrophic Risk Protection Policies
R&D-96-060	Florida Fruit Tree Pilot Program - 1997 Crop Year
R&D-96-061	Issuance of the 1997 FCIC 24080 Nursery Crop Insurance Underwriting Guide
R&D-96-062	1997 Income Protection Price Announcement
R&D-96-063	Written Agreements for Pilot Crop Programs
R&D-96-064	Farm Service Agency Established Yields for Crop Year 1997
R&D-96-065	Actuarial Release
R&D-96-066	Prevented Planting Questions and Answers
R&D-96-067	Crop Revenue Coverage (CRC) and FCI-33 Supplement
R&D-96-068	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-069	Destruction of Harvested Production Having Zero Value
R&D-96-070	1996 Soybean Crop Revenue Coverage Harvest Price Announcement
R&D-96-071	Limited Access to Social Security and Employer Identification Number Data
R&D-96-072	Group Risk Plan (GRP) Common Policy and Corn, Cotton, Forage Production, Grain Sorghum, Peanuts, and Soybeans Crop Provisions for the 1997 Crop Year
R&D-96-073	Addendum - 1997 Actuarial Table (Special Provisions)
R&D-96-074	Texas Citrus Fruit Crop Provisions 98-049 (Rev. 11-96)
R&D-96-075	Pear Crop Insurance Provisions
R&D-96-076	1996 Crop Revenue Coverage and Income Protection Price Announcements
R&D-96-077	1996 Group Risk Plan Preliminary Payments
R&D-96-078	Issuance of the New Program Development Handbook (FCIC-23010)
R&D-96-079	Issuance of the Summary of New Program Development Data Requirements (FCIC-23020)
R&D-96-080	Sugar Beet Crop Insurance Provisions
R&D-96-081	Addendum - 1997 Actuarial Table (Special Provisions)

INFORMATIONAL MEMORANDUM: R&D-96-001

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field
Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1995 Group Risk Plan Preliminary Payments

Attached are the preliminary payment yields and factors for 1995 Group Risk Plan cotton. Preliminary payment yields have also been incorporated into the Actuarial Data Master. These payment yields and factors do not apply to Catastrophic Risk Protection for 1995. For Farm Service Agency offices, these yields and factors are for informational purposes only.

Attachment

Note: The attachment will follow in the mail.→

(Attachment can be found on the RO Server / Public Access Server in the file '95prepay.zip')



United States
Department of
Agriculture

Farm
Service
Agency

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-002

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 1/5/96
Director
Research and Development Division

SUBJECT: Pilot Crop Insurance Program Announcement for Millet

The Federal Crop Insurance Corporation (FCIC) has received approval to offer a pilot crop insurance program for millet. The millet pilot program will be an Actual Production History (APH) plan of multiple peril crop insurance (MPCI), offered for the 1996, 1997, and 1998 crop years. The pilot program will be offered in the following states and counties:

<u>COLORADO</u>	<u>NEBRASKA</u>	<u>NORTH DAKOTA</u>	<u>SOUTH DAKOTA</u>
Logan	Cheyenne Deuel	Dickey	Bennett

Millet producers may sign up for catastrophic coverage through their insurance agent or the local Farm Service Agency (FSA) office. Additional coverage is available through an approved crop insurance agent. Coverage must be purchased before the March 15, 1996, sales closing date for the 1996 crop year. In the millet pilot program counties, linkage requirements to be eligible for certain other Department of Agriculture program benefits apply for millet as with any other insurable crop.

The crop provisions, actuarial information, training materials, and loss adjustment procedure will be provided in the near future. If you have any questions about this pilot program, please contact Vondie O'Conner at (816) 926-6343 or by fax at (816) 926-7343.

INFORMATIONAL MEMORANDUM: R&D-96-003

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 1-16-96
Director
Research and Development Division

SUBJECT: Income Protection Pilot Program

The Federal Crop Insurance Corporation (FCIC) has received approval to offer a pilot Income Protection plan of multiple peril crop insurance (MPCI). The Income Protection pilot program will be offered for the 1996 and 1997 crop years. For the 1996 crop year, the pilot program will be available for three crops in the following states and counties:

Corn Illinois: Champaign, Ford, Iroquois, Livingston, and McLean
Indiana: Benton, Fountain, and Warren
Iowa: Adair, Audubon, Cass, Dallas, Guthrie, and Shelby

Cotton Alabama: Autauga, Lawrence, Limestone, and Madison
Georgia: Brooks, Colquitt, Dooly, and Worth

Spring
Wheat Minnesota: Kittson, Marshall, Polk, and Roseau
N. Dakota: Grand Forks, Pembina, and Walsh

Income protection is available only as additional coverage available through an approved crop insurance agent. A catastrophic (CAT) level of coverage is not available under the Income Protection plan. Coverage for the 1996 crop year must be purchased before March 15, 1996. The Income Protection plan of MPCI meets the crop insurance linkage requirement to be eligible for certain other Department of Agriculture program benefits.

The crop provisions, special provisions, disclaimer, underwriting procedure, and loss procedure are attached. Attached are rate examples for each crop and county because the Income Protection rate is calculated by software. Crop insurance agents will need a computer capable of running the Income Protection software to quote Income Protection premiums. The Income Protection software needed by crop insurance agents who want to sell Income Protection is available on the Reporting Organization Server in the Income_Protection directory.

If you have any questions about this pilot program, please contact Vondie O'Conner at (816)-926-6343 or by fax at (816)-926-7343.

Attachment - Hard copy will be mailed

INFORMATIONAL MEMORANDUM: R&D-96-003.1

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Income Protection Pilot Program - Correction to Purchase Date

Coverage for the 1996 crop year must be purchased by the sales closing date. For cotton, the sales closing date is February 28. For all other Income Protection crops, the sales closing date is March 15.

If you have any questions about this pilot program, please contact Vondie O'Conner at (816)-926-6343 or by fax at (816)-926-7343.

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-004

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ 1-29-96
Director, Research and Development Division

SUBJECT: Millet Program Documents Effective for the 1996 Crop Year

Attached are the Millet Pilot Crop Provisions, Crop Insurance Handbook Update, Disclaimer, Training Materials and Actuarial Documents for the pilot counties that are effective for the 1996 crop year. An updated Index of Policies that includes the Millet Pilot Crop Provisions is also attached. The Loss Adjustment Standards will be sent in the near future.

The Millet Pilot Crop Provisions will be placed on the Reporting Organization Server in WordPerfect 6.1. The Actuarial Branch will provide notification when it is available on the server. Any questions or requests for a WordPerfect 6.1 formatted diskette containing the Millet Pilot Crop Provisions should be directed to the Research and Evaluation Branch at (816) 926-6343.

Attachments - To be mailed

INFORMATIONAL MEMORANDUM: R&D-96-005

TO: All Reinsured Companies
FSA Headquarters, Program Delivery
and Field Operations
All Risk Management Field Offices

FROM: Tim B. Witt
Director, Research and Development Division

SUBJECT: Nursery: Multiple Species Grown Together in a Common Container

ISSUE:

The insurability of nursery stock where more than one plant species is grown in the same container.

BACKGROUND:

A general nursery production practice exists where several different plant species are grown in the same container (multispecies container). Multispecies containers are grown and marketed in a manner consistent with single species containers. A determination of the insurability of multispecies containers has been requested.

ACTION:

Multispecies containers are insurable if:

- 1) all plant species grown in the multispecies container:
 - a) are listed on the nursery eligible plant listing; and
 - b) meet winter protection requirements applicable for each individual plant species included in the container. Premium determinations are based on the territory and risk group applicable to the multispecies container;
- 2) the container qualifies as a "standard nursery container;"
- 3) the multispecies container:
 - a) is listed on the grower's nursery crop wholesale price listing and included on the nursery inventory report; and
 - b) otherwise meets the terms and conditions of insurability provided in the MPCCI contractual documents.

INFORMATIONAL MEMORANDUM: R&D-96-006

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1996 Projected Price for Income Protection - Cotton

The 1996 projected price for Income Protection - Cotton is \$0.78 per pound. This projected price, as stated in the Income Protection-Cotton Crop Provisions, is the average derived by totaling the final closing daily settlement prices for the current year New York Cotton Exchange December cotton futures contract for each trading day from January 15 through February 14 of the current year, and dividing that total by the number of daily settlement prices.

Income Protection is available for limited and additional coverage only. This price is not applicable to traditional MPCCI cotton or to catastrophic coverage.

If you have any questions or need additional information, please contact LeWayne Jansonius at (816) 926-3703.

February 29, 1996

INFORMATIONAL MEMORANDUM: R&D-96-007

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery &
Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt
Director
Research and Development Division

SUBJECT: 1996 Crop Revenue Coverage and Income Protection Price Announcements

The 1996 spring market price for Crop Revenue Protection - Corn is \$2.93 per bushel. This spring market price is defined in the Crop Revenue Coverage (CRC) policy to be "ninety-five percent (95%) of the February Average Daily Settlement Price for corn to be delivered during the month of December, of the then current crop year."

The 1996 spring market price for Crop Revenue Protection - Soybeans is \$6.87 per bushel. This spring market price is defined in the CRC policy to be "ninety-five percent (95%) of the February Average Daily Settlement Price for soybeans to be delivered during the month of November, of the then current crop year."

The 1996 projected price for Income Protection - Corn is \$3.08 per bushel. This projected price is defined in the Income Protection - Corn crop provisions to be "the average derived by totaling the final closing daily settlement prices for the current year Chicago Board of Trade (CBOT) December corn futures contract for each trading day of February of the current year, and dividing that total by the number of daily settlement prices."

The 1996 projected price for Income Protection - Wheat is \$4.57 per bushel. This projected price is defined in the Income Protection - Wheat crop provisions to be "the average derived by totaling the final closing daily settlement prices for the current crop year Chicago Board of Trade (CBOT) September wheat futures contract for each trading day of February of the year the crop would normally be harvested, and dividing that total by the number of daily settlement prices."

The Crop Revenue Coverage and Income Protection insurance plans are available for limited and additional coverage only. The CRC spring market price and IP projected price are not applicable to traditional MPCCI corn, soybeans, or wheat or catastrophic coverage.

If you have any questions or need additional information, please contact LeWayne Jansonius at (816) 926-3703.

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-008

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt /s/ TBW 3/5/96
Director
Research and Development Division

SUBJECT: Malting Barley Price and Quality Endorsement
for the 1996 Crop Year

Attached is a new Malting Barley Price and Quality Endorsement that will be available for the 1996 and succeeding crop years, and an updated index of policy forms in effect. For the 1996 crop year only, producers may elect either the current Malting Barley Endorsement or the new Malting Barley Price and Quality Endorsement. For the 1997 crop year, the Malting Barley Price and Quality Endorsement will replace the Malting Barley Endorsement. Following is a general description of the new coverage and actuarial information. Please refer to the endorsement for more complete information.

Malting Barley Price and Quality Endorsement

1. The Malting Barley Price and Quality Endorsement is divided into two coverage options. Option A provides insurance coverage for producers who do not grow malting barley under contract with a brewery or other business that makes or sells malt or processed mash to a brewery or who grow a portion of their total production under contract. Option B provides insurance coverage for producers who grow all of their malting barley under contract. A producer may select only one option to cover all acreage planted to approved varieties of malting barley in the county during the crop year.
2. A single unit, shown separately from feed barley units on the acreage report, will be established for malting barley. All acreage planted to approved malting varieties will be considered one unit regardless of whether such acreage is owned, rented for cash, or rented for a share of the crop. For example, if a producer has 320 acres planted to approved malting varieties that are divided into two 160-acre units for feed barley coverage, there would be only one 320-acre malting barley unit. The malting barley unit will be designated as a basic unit (the basic unit premium discount will apply).
3. Option A requires a person to provide records of acreage planted to malting barley varieties and malting barley sale receipts for at least 4 crop years to be eligible for coverage. Production

guarantees will be the lesser of the applicable feed barley production guarantee or a guarantee based on the average amount of malting barley sold per planted acre.

4. Option B requires an applicant or insured to provide a copy of the malting barley contract by the acreage reporting date to be eligible for coverage. Production guarantees will be determined by dividing the number of contracted bushels by the potential production (see definition of potential production in the endorsement) and multiplying the result (not to exceed 1.0) by the production guarantee for feed barley that applies to the affected acreage.
5. The maximum additional value price election under Option A will be \$0.50 per bushel for the 1996 crop year. The maximum price election available for the 1997 and succeeding crop years will be shown on the Special Provisions. For Option B, the additional value price election per bushel will be the lesser of: (a) \$2; or (b) if applicable, the guaranteed sale price per bushel established by the malting barley contract (without regard to discounts or incentives) minus the maximum price election for feed barley; or, if applicable, the basis or premium per bushel (without regard to discounts or incentives) with respect to some market price established at some future date as specified in the malting barley contract. The contractual price or basis/premium must be effective on or before the acreage reporting date.
6. A claim may not be finalized until the earlier of final disposition of all production from the insured unit or May 31 of the calendar year following the crop year when production fails to meet the quality criteria specified in the option selected. The extension of the settlement period is intended to prevent payment of indemnities for production that does not meet quality specifications but that is ultimately used for malting purposes. Such production may be adjusted for quality deficiencies in accordance with the terms of the endorsement.

Actuarial Information

1. The new endorsement will be available only in counties in which the current Malting Barley Endorsement is available. Rate tables for these counties will not be refiled. However, the actuarial data master for these counties has been updated to accept the information necessary to process this new coverage.
2. Option A will be elected by indicating option code 1 on the application or a contract change form. Option B will be elected by indicating option code 2 in the same manner.
3. The base premium rate applicable to insured malting barley acreage will be the same base premium rate applicable to the acreage for feed (basic) barley coverage. For example, if the R-5 base rate is applicable to a 40-acre parcel for feed barley coverage, the same R-5 base rate will apply to that same 40 acres in the malt barley unit. A rate class option factor of 1.1 will be applied to the base rate in all cases.

The new endorsement has been placed on the Reporting Organization Server in WordPerfect 6.0. You can find this file in the /miscellaneous_files/directory as "96endor.zip." Any questions regarding the new endorsement should be directed to the Product Development Branch at (816) 926-7730. Attachment

INFORMATIONAL MEMORANDUM: R&D-96-008.1

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt /S/ TBW 3-8-96
Director
Research and Development Division

SUBJECT: Malting Barley Price and Quality Endorsement for the 1996 Crop Year

Informational Memorandum R&D-96-008, issued March 5, 1995, described the new Malting Barley Price and Quality Endorsement available for the 1996 and succeeding crop years. This memorandum provides additional information regarding the sale of the new endorsement and clarification of the process used to establish the malting barley production guarantee under Option B.

Federal Crop Insurance Corporation (FCIC) is offering the new Malting Barley Price and Quality Endorsement as a new insurance product for the 1996 crop year. For the 1996 crop year only, the previous Malting Barley Endorsement will also remain available. As indicated in the final rule, there is no requirement for any insurance provider to offer the new endorsement.

Item 4 of Informational Memorandum R&D-96-008 outlines a method by which the malting barley production guarantee under Option B may be computed. However, the definition of "potential production" is not included in the endorsement as the informational memorandum indicates. For the purpose of computing this production guarantee, "potential production" will be the number of bushels that results from multiplying the number of acres planted to approved malting varieties by the actual production history (APH) yield per acre that applies to the acreage. For example, assume that a producer plants 40 non-irrigated acres with an APH yield of 30 bushels per acre, and 30 irrigated acres with an APH yield of 60 bushels per acre. The "potential production" would be 3,000 bushels $((40 \times 30) + (30 \times 60))$.

Informational Memorandum: R&D-96-009

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Compliance Production Division, Program
Support Branch (CPAD-PSB)

FROM: Tim B. Witt /s/ TBW 3/6/96
Director
Research and Development Division

SUBJECT: Data Processing Managers' Meeting Results

A Data Processing (DP) Managers' Meeting was held in Kansas City February 21-23, 1996, with the primary objective to discuss new crop programs and changes for the 1997 crop/ reinsurance year. The discussions and exchange of ideas were very productive and will be used to formulate 1997 DP strategy. The highlights of the meeting and tentative changes agreed to are as follows. Actuarial Maps.

Insurance providers agreed that the preferred way to present the actuarial map areas in the actuarial documents is through the use of strings of legal land descriptions for identification. The Insurance Services/Regional Service Offices' representatives agreed to provide these data, and the Actuarial Branch will develop a supporting grid system for all areas of the country that are not part of the Public Land Survey System.

As requested, the data will be generated to the quarter-quarter section level. Land areas that are partially affected by an actuarial map area will be identified and will refer to a map for determining the actual classification for an insurance quote. As these data strings are developed, they will be issued in the applicable actuarial documents. In the interim, we will scan all actuarial maps and issue them electronically. This will enable the Federal Crop Insurance Corporation (FCIC) to eliminate paper completely, and all actuarial documents will be issued electronically.

Data Telecommunications.

The Actuarial Branch has almost completed establishing and testing full capabilities for reinsured companies to transmit data and receive feedback via the Reporting Organization (RO) Server. The RO Server will provide increased capabilities and transmission speeds. We also have the opportunity to establish revised criteria for submitting data for validation and acceptance. The consensus of the attendees was to revise the data transmission times when we move to the RO Server to the following: Data files received by 6 p.m. Saturday night will be processed as part of that week's business and accounting processes. Data files received after 6 p.m. but before midnight on Saturday will be date/time stamped for acceptance for reporting deadline purposes but will be processed the following business day. 1997 Reinsurance Year Actuarial Document Filings. Restructured and standardized crop, type, and practice codes were distributed with a request for comment by COB March 8, 1996. We plan to implement these four character crop codes and the standardized type and practice codes in the 1997 reinsurance year actuarial filings. We will also use the insurance plan code to denote different crop insurance programs in lieu of

different crop codes. For example, wheat would always be coded 0011 with available insurance plans for multiple peril crop insurance (MPCI), Group Risk Plan (GRP), Income Protection (IP), and Crop Revenue Coverage (CRC) programs. We are continuing to re-engineer our business processes. We have completed the actuarial filing system and will be generating the documents for 1997 from the new system on the Sun computer. Our next major effort is to re-engineer the rating process. To facilitate this project, we plan to minimize 1997 individual county rate changes for crops with a contract change date through June 30. We will only address those county crop programs with the greatest need for rate adjustments. The time saved from rate reviews will be used to re-engineer the rate generation process. Pending the results of the re-engineering efforts, rates for crops after the June 30 filing may be revised or follow similar procedure.

For 1997 we will file actuarial documents for those county-crop programs that have rate changes. This supports a long-term goal of not filing all county-crop programs every year. However, as requested by the DP Managers, we will reissue all county actuarials for 1997 so the crop, type, and practice code changes can be implemented at one time. This will begin with the April 15 filing. The consensus was that incremental implementation would be too difficult to properly manage. Other actuarial filing changes for 1997 include the addition of state summary-of-change documents with each filing, automated tables of contents by filing, allowing prices/dates/factors for Options, standardized Supplement fields, and automated generation of unit division guidelines.

Software and Models.

Software for the automated version of the 1997 M-13 Data Acceptance System Manual and the 1997 version of the Premium Calculation software were presented. Also discussed were several updates/fixes to the Premium Calculation Software. It was noted that Florida fruit and tropical trees, and the IP and CRC products, will not be available for the Premium Calculation software for 1996 but will be included for 1997. The automated M-13, Premium Calculation software changes/fixes, and the data models for the Actuarial Filing System, Policy Database, and the Statistical Plan Database will be made available to insurance providers on the RO Server. The automated Written Agreement software will also be made available when it is ready for field test within the next month.

Miscellaneous Issues.

Program issues and reporting requirements were discussed and resolved in detail for Florida tropical and fruit trees, IP, CRC, and millet. The data system rounding rules for CRC were also defined and agreed upon, and will be issued in the next revision to the 1996 M-13.

The IP FORTRAN software has been revised by Montana State University to reduce calculation times and facilitate conversion to COBOL for installation on company computers for data validation and other processing needs. The new version was discussed at the meeting in detail by Montana State University representatives, and future discussions are planned. The revised IP software and associated tables have been placed on the RO Server. Actuarial Branch is converting the revised software to COBOL and will make the code available to insurance providers as soon as it is completed and tested (3-4 weeks). CAT price elections were also discussed. The allowable 60 percent price election for CAT coverage was rounded up for 1995 and 1996 since the data systems are not configured to allow for tenths of cents in price elections (e.g., for a 100 percent price of \$0.09 per pound, the CAT price calculates to \$0.054 per pound and rounds to \$0.06 per pound). The consensus of the insurance providers was to change the applicable policies to hundredweight to eliminate the problem in lieu of modifying the data systems and databases to accommodate tenths of cents. This recommendation is being taken under advisement pending a final decision. Current edits will be revised as follows: To accept, under a single policy number, multiple county crop policies with differing coverages/programs (e.g., an insured's corn policy in one county at 65/100, and a second corn policy in another county at CAT). In addition, a new flag will be established to allow election of a 100 percent replant payment to one insured in a share arrangement.

Future Meetings.

There was general consensus that this was a good time of the year to have this type of meeting. It allows the insurance providers the opportunity to participate in actuarial and data system planning and decisions. We plan to continue hosting a DP Managers' Meeting in late January/early February and another meeting in the summer. Feedback and alternatives are requested on scheduling the summer meeting; comments received to date are evenly split between early June and late July/early August. A June meeting would allow comments on the final version of the M-13 prior to release and a July/August meeting would facilitate discussion of implementation problems before the year's data transmission starts. Comments. DP Managers and/or other representatives should provide written comments on the outstanding issues raised in this memo by COB March 15, 1996, to Seavey Anthony.

INFORMATIONAL MEMORANDUM: R&D-96-010

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1995 Group Risk Plan Final Payments

Attached are the final payment yields and factors for 1995 Group Risk Plan corn, grain sorghum, soybeans, and wheat. Final payment yields have also been incorporated into the Actuarial Data Master. These payment yields and factors do not apply to Catastrophic Risk Protection for 1995. For Farm Service Agency offices, these yields and factors are for informational purposes only.

Attachment

(Note: Because of the sizable attachment, this memo is being sent as an advance information copy. The entire bulletin w/attachment will be mailed ASAP).

INFORMATIONAL MEMORANDUM: R&D-96-011

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B.Witt
Director
Research and Development Division

SUBJECT: 1996 Data Acceptance System (DAS) Handbook Slipsheets

Attached is the 1996 Reinsurance Year DAS Handbook (Manual 13) exhibits which contain the most recent modifications to the DAS reporting requirements. These revised exhibits contain clarifications to the November exhibits, plus changes required for new crop programs.

The major changes to the M-13 include:

- Clarification of Entity types and Significant Beneficial Interest requirements.
- Clarifications of Plan codes and Crop codes.
- Clarification of Dual Coverage Flag.
- Clarification and addition of new codes for Nonstandard Classification/Written Agreement records.
- Clarification and addition of new premium calculations for Florida Fruit Trees,
- Income Protection, and Crop Revenue Coverage crops.
- Addition of new Prevented Planting codes and Stage codes.

Many of these changes were discussed at the February 21-23, 1996, Data Processing Managers' meeting in Kansas City. The revised pages have the month and year in the heading. If you have any questions regarding the handbook, please contact Seavey Anthony or Bob McGraw at (816) 926-3940.

Attachment

(attachment on RO Server in the Miscellaneous_Files directory as '96m13doc.zip')

INFORMATIONAL MEMORANDUM: R&D-96-012

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ 3/29/96
Director
Research and Development Division

SUBJECT: April 15 Actuarial Filing

BACKGROUND:

Requests have been made to notify our customers when an actuarial file listing has been released, and to produce an inventory or listing of specific county crop programs for each actuarial filing so that insurance providers can assure all documents are received.

ACTION:

Attached is a listing of county crop programs that come under the April 15 filing schedule. Please use this listing as a reference to determine the actuarial being sent to your office. April 15 actuarial was released electronically today, March 29, 1996, on the Reporting Organization Server.

Attachment

(Attachment available on the RO Server in the /Supplements/ directory as '97pak415.zip')

INFORMATIONAL MEMORANDUM: R&D-96-013

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: April 30 Actuarial Filing

BACKGROUND:

Requests have been made to notify our customers when an actuarial file listing has been released, and to produce an inventory or listing of specific county crop programs for each actuarial filing so that insurance providers can assure all documents are received.

ACTION:

Attached is a listing of county crop programs that come under the April 30 filing schedule. Please use this listing as a reference to determine the actuarial being sent to your office. April 30 actuarial was released electronically today, April 19, 1996, on the Reporting Organization Server.

Attachment

Note: This bulletin with attachments will be mailed to you.

(This information can be found on the RO Server in the /Supplements/1997/ directory as '97pak430.zip')

April 23, 1996

INFORMATIONAL MEMORANDUM: R&D-96-014

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Roberta E. Waggoner (for)
Director
Research and Development Division

SUBJECT: Summary of Business Data by Delivery System

Numerous requests have been made for reinsurance years 1995 and 1996 summary of business data by delivery system. This information is now available via the Reporting Organization (RO) Server and the Internet web server (www.act.fcic.usda.gov). This information will be updated weekly and provided as part of the Summary of Business reports. The new reports include:

- The Nationwide Summary of Business report specifying Reinsurance and Farm Service Agency(FSA) delivery systems.
- The Summary of Business by State report showing Reinsurance and FSA business for catastrophic coverage (CAT) and additional coverage (BUP) policies.
- The Summary of Business by Crop report showing Reinsurance and FSA business of CAT and BUP policies.
- The Summary of Business Data File (county-level detailed data) identifying Reinsurance and FSA policies by addition of a new flag.

The Summary of Business data will always reflect the year-to-date summary of crop insurance business through the Saturday prior to the current week. It is important to remember the Summary of Business is generated only from type 11 (acreage report), 14 (insurance in force by crop), and 21 (loss claim) records that have successfully passed the Data Acceptance System (DAS) edits. Records rejected by DAS are not reflected in these reports.

More detailed instructions have been provided by the Actuarial Branch to company data processing personnel. For technical questions regarding the telecommunications systems, please contact Reid Earls at (816) 926-6368.

INFORMATIONAL MEMORANDUM: R&D-96-015

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1995 Group Risk Plan Final Payments

Attached are the final payment yields and factors for 1995 Group Risk Plan forage production. Final payment yields have also been incorporated into the Actuarial Data Master. These payment yields and factors do not apply to Catastrophic Risk Protection for 1995. For Farm Service Agency offices, these yields and factors are for informational purposes only.

Attachment

(Attachment unavailable on the RO Server / Public Access Server)

April 10, 1995

INFORMATIONAL MEMORANDUM: R&D-95-016

TO: All Reinsured Companies
CFSA Headquarters, Program Delivery and Field Operations
All Risk Management Field Offices

FROM: Tim B. Witt /s/ TIM B. WITT
Acting Director
Research and Development Division

SUBJECT: Insurability of Nursery Crops Grown in Nursery Containers Buried in the Ground

ISSUE:

Questions have been raised regarding insurance eligibility for nursery crops grown in qualifying nursery containers that are buried in the ground either directly or when placed on liners which are buried in the ground.

DISCUSSION:

Section 1.(b)(1), (b)(4), and (b)(9) (Insured Crops) for nursery states, "We do not insure any nursery crops which:

- (1) are not grown in standard nursery containers;
- (4) are grown in the field; or
- (9) are not grown in accordance with the production practices for which premium rates have been established."

FCIC nursery crop premium rates are based on standard rigid containers that are at least 3 inches across the smallest dimension and on plants that are not grown in the field. FCIC has administered the nursery program on this basis.

ACTION:

Any nursery crops planted in containers that are buried in the ground, either directly or when placed on liners that are buried in the ground, are not insurable.

INFORMATIONAL MEMORANDUM: R&D-96-017

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt /s/ Vondie O'Conner (for)
Director
Research and Development Division

SUBJECT: Insurability of Certain Varieties High-Oil Corn

ISSUE:

Additional questions have been raised regarding the insurability of certain varieties of high-oil corn.

ACTION:

Varieties of corn containing predominantly mixtures of high yielding yellow dent female plants with high-oil male pollinators (e.g., 90 percent female plants and 10 percent male pollinators) are insurable for the 1996 crop year without a written agreement. Therefore, for the 1996 crop year such varieties are insurable under the Multiple Peril Crop Insurance Coarse Grains Crop Provisions and the Crop Revenue Coverage (CRC) Insurance Program.

INFORMATIONAL MEMORANDUM: R&D-96-018

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: May 31 Actuarial Filing

BACKGROUND:

Requests have been made to notify our customers when an actuarial file listing has been released, and to produce an inventory or listing of specific county crop programs for each actuarial filing so that insurance providers can assure all documents are received.

ACTION:

Attached is a listing of county crop programs that come under the May 31 filing schedule. Please use this listing as a reference to determine the actuarial being sent to your office. May 31 actuarial was released electronically May 3, 1996, on the Reporting Organization Server. It is being released again May 15, 1996, to include the GRP forage production.

Attachment

(Attachment unavailable)



United States
Department of
Agriculture

Farm
Service
Agency

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-019

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum - Actuarial Table (Special Provisions)

This is an addendum to the Actuarial Table (Special Provisions). The following information should be provided to all producers for the applicable crops no later than 30 days prior to the Sales Closing Date.

CROP	STATE	CAT PRICE	PRICE ELECTION	
Forage Production	California	\$61	\$101	
	Colorado	50	82	
	Idaho	51	85	
	Iowa	49	81	
	Minnesota	45	74	
	Montana	41	68	
	Nevada	57	95	
	New Hampshire	71	118	
	New York	54	89	
	North Dakota	30	49	
	Oregon	62	103	
	Pennsylvania	65	108	
	South Dakota	36	60	
	Utah	42	70	
	Washington			
	Kittitas County			
	Grass Mixture	72	120	
Alfalfa	54	90		
Other Counties	54	90		
Wisconsin	46	76		
Wyoming	46	76		

If you have any questions, please contact Lana Cusick at (816) 926-3477.

INFORMATIONAL MEMORANDUM: R&D-96-019.1

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions) Correction

Informational Memorandum R&D-96-019, issued May 15, 1996, describes an addendum to the May 31 filing Special Provisions. This memorandum clarifies the addendum is effective for the 1997 crop year. Further, forage production is no longer an insured crop for Washington and Idaho. Prices for these States should be deleted from Informational Memorandum: R&D-96-019.



United States
Department of
Agriculture

Farm
Service
Agency

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-020

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Continuous Hail and Fire Exclusion Option Form

ISSUE:

Allowing insurance providers to use a continuous rather than annual Hail and Fire Exclusion Form.

DISCUSSION:

There have been requests to use a continuous, rather than an annual, form to exclude hail and fire coverage from multiple peril crop insurance policies having additional coverage. A continuous form will reduce insureds' and agents' paperwork while still maintaining the same function as the annual form.

Under the terms of the policy and the Continuous Hail and Fire Exclusion Option, hail and fire coverage will be excluded from multiple peril crop insurance policies for each crop year that the insured provides proof that the insured has the required amount of hail and fire insurance in effect with a private company. Hail and fire coverage will not be excluded if the insured fails to have the required amount of hail and fire coverage or fails to provide proof of such.

ACTION:

The use of the continuous form is optional. Standards for a Continuous Hail and Fire Exclusion Option Form have been developed for insurance providers to use when developing a continuous hail and fire form. Insurance providers who wish to use the continuous form must:

- (1) use the form standards in Exhibit 1 to develop the continuous form, and submit the form for approval as stated in the FCIC 24030 Submission Standards Handbook.
- (2) assure that employees and/or loss adjusters (as appropriate) continue to follow the procedures in the Crop Insurance Handbook and Loss Adjustment Manual to verify that the required amount of hail and fire coverage is in effect.

Form Standards for a Continuous Hail and Fire Exclusion Option Form

The following line entries and statements identified as “(Substantive)” are required for form approval. Items that are within quotes are required as is. Items identified as “(Non-substantive)” are suggested but are not required for form approval.

- 1 Form Number. (Substantive)
- 2 Name of Company. (Substantive)
- 3 Title of form, as follows: “Hail and Fire Exclusion Option.” (Substantive)
- 4 Statement: (Substantive)

“The terms of this option apply to the first crop year requested and are continuous for each succeeding crop year as provided below. This option can be canceled or crops can be deleted if a request is submitted in writing on or before the applicable multiple peril crop insurance cancellation date for the crop(s), or crops can be added if a written request is submitted on or before the applicable sales closing date for the crop(s).”

- 5 Insured’s Name and Address. (Substantive)
- 6 MPCCI Policy Number. (Substantive)
- 7 First Effective Crop Year. (Substantive)
- 8 Name and Address of Insurance Agency. (Substantive)
- 9 The following statements are required except for the calculation example.

“Hail and Fire will be excluded on a crop basis as insured causes of loss from your Multiple Peril Crop Insurance Policy for a reduced premium under the following terms and conditions:”
(Substantive)

“A For the first crop year: (1) the Hail and Fire Exclusion Option must be signed: (a) within 72 hours after the effective date and time of an annual hail and fire insurance policy or first year of a multi-season policy, and/or (b) on or before the date Multiple Peril Crop Insurance coverage attaches for the crop year when a multi-season hail and fire policy is in effect (except the first crop year of a multi-season hail and fire policy); and (2) the crop must not have been damaged to the extent that a multiple peril crop insurance indemnity is to be, or may be, claimed on any unit of the insured crop.” (Substantive)

“B For each crop year, hail and fire insurance coverage must be in effect (and premium earned) on all planted insurable acreage of the crop insured under the Multiple Peril Crop Insurance Policy and the total dollar amount of hail and fire insurance liability must equal or exceed the total Multiple Peril Crop Insurance liability for that crop acreage.” (Substantive)

Form Standards for a Continuous Hail and Fire Exclusion Option Form

“C For each crop year, you must provide a copy of the annual hail and fire declaration sheet showing the required amount of hail and fire coverage for the crop year or other proof that the required amount of hail and fire coverage has attached for the crop year.” (Substantive)

“D For any crop year that any of the conditions in B-C (A-C, the first crop year) above are not met, hail and fire coverage will not be excluded and premium will not be reduced.” (Substantive)

“E An appraisal for uninsured causes will be made when the crop is damaged by hail and/or fire, and the average percent damage to the crop insurance unit exceeds the coverage level percentage determined by subtracting the coverage level percentage from 100. This excess percentage amount will be multiplied by the guarantee per acre divided by your coverage level percentage and the result will be the appraisal for uninsured causes.” (Substantive)

“For example: The average percent hail damage to the crop insurance unit = 45%.
MPCI coverage level = 65%. Per-acre guarantee = 100 bu.
Step 1 $1.00 - .65 = .35$
Step 2 $.45 - .35 = .10$ (excess percentage)
Step 3 $.10 \times 100$ bu. (per-acre guarantee)
Step 4 $10 \div .65 = 15.4$ bu. per-acre appraisal for uninsured causes.”
(Non-substantive)

“EXCEPT THAT:
If hail and/or fire occurs and the original hail and fire liability has been reduced below the Multiple Peril Crop Insurance coverage, due to another cause of loss insured under the Multiple Peril Crop Insurance Policy, the hail and/or fire indemnity will be divided by the original hail and fire liability. This result will be multiplied by the multiple peril crop insurance guarantee per acre divided by your coverage level percentage and the result will be the appraisal for uninsured causes.” (Substantive)

10 “The hail and fire exclusion applies to the following crop(s):

_____”
(Substantive)

11 “Information for the first-year hail/fire exclusion request:” (Substantive)
“Date Hail and Fire Coverage is effective: _____” (Substantive)
“Name of Hail and Fire Insurance Company(ies). _____ Policy Number(s) _____

_____”
(Substantive)

- 12 “I hereby authorize representative(s) of the company access to required information regarding the hail and fire policy(ies) listed above.” (Substantive)
- 13 “Insured’s Signature _____ Date_____”
(Substantive)
- 14 “Agent’s Signature_____ Date_____”
(Substantive)
- 15 Privacy Act Statement

- (a) Include the Privacy Act Statement on the form or make available as a separate document. (Substantive) See Exhibit 2 for statement.

NOTE: If the Privacy Act Statement is provided as a separate document, evidence of receipt of this statement may be shown by securing the signature of applicant/policyholder on a copy retained by the company.

- (b) If the Privacy Act statement is on the back of the form, add the following statement to the front of the form: "See reverse side of form for statement required by Privacy Act of 1974." (Non-substantive)

COLLECTION OF INFORMATION AND DATA (PRIVACY ACT)

To the extent that the information requested herein relates to the information supplier's individual capacity as opposed to the supplier's entrepreneurial (business) capacity, the following statements are made in accordance with the Privacy Act of 1974, as amended (5 U.S.C. 552a). The authority for requesting information to be furnished on this form is the Federal Crop Insurance Act, as amended, (7 U.S.C. 1501 et seq.) and the Federal Crop Insurance Regulations contained in 7 CFR Chapter IV.

Collection of the Social Security Account Number (SSN) or the Employer Identification Number (EIN) is authorized by section 506 of the Federal Crop Insurance Act (7 U.S.C. 1506), as amended by the Food, Agriculture, Conservation, and Trade Act of 1990 (1990 Farm Act) (Pub. L. 101-624, 104 Stat. 3359), and is required as a condition of eligibility for participation in the Federal crop insurance program. The primary use of the SSN or EIN is to correctly identify you, and any other person with an interest in your operation of 10 percent or more, as a policyholder within the systems maintained by the Federal Crop Insurance Corporation (FCIC). Furnishing the SSN/EIN is voluntary; however, failure to furnish that number will result in you being denied program participation and benefits.

The balance of the information requested is necessary for the insurance company and FCIC to process this form to provide insurance, provide reinsurance, determine eligibility, determine the correct parties to the agreement, determine and collect premiums or other monetary amounts (or fees), and pay benefits. The information furnished on this form will be used by Federal agencies, FCIC employees, insurance companies, and contractors who require such information in the performance of their duties. The information may be furnished to: FCIC contract agencies; employees and loss adjusters; reinsured companies; other agencies within the United States Department of Agriculture; the Internal Revenue Service; the Department of Justice, or other Federal or State law enforcement agencies; credit reporting agencies and collection agencies; other Federal agencies as requested in computer matching programs; and in response to judicial orders in the course of litigation. Furnishing the information required by this form is voluntary; however, failure to report the correct, complete information requested may result in rejection of this form; rejection of any claim for indemnity, replanting payment, or other benefit; ineligibility for insurance; and a unilateral determination of any monetary amounts due.

INFORMATIONAL MEMORANDUM: R&D-96-021

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Insurability of Certain Varieties High-Protein Corn

ISSUE:

The Federal Crop Insurance Corporation (FCIC) has received information that the policy terms making high-protein corn insurable only by written agreement under the multiple peril crop insurance policy (MPCI) and not insurable under the Crop Revenue Coverage pilot program should be changed. Information provided to FCIC indicates that value-enhanced hybrids (i.e., higher levels of digestible protein and amino acids) are true single cross hybrids that pollinate and are grown under the same management practices as normal yellow dent corn. This information and discussions with private industry representatives and University specialists indicate yield and risk are comparable to yellow dent field corn.

ACTION:

Varieties of high-protein single cross hybrids are insurable for the 1996 crop year without a written agreement. For the 1996 crop year such varieties are insurable under the Multiple Peril Crop Insurance Coarse Grains Crop Provisions and the Crop Revenue Coverage (CRC) Insurance Program.

INFORMATIONAL MEMORANDUM: R&D-95-022

TO: All Reinsured Companies
CFSA Headquarters, Program Delivery & Field
Operations
All Risk Management Field Offices

FROM: Tim B. Witt
Acting Director
Research and Development Division

SUBJECT: Planned Initiatives for the 1996 and Succeeding Crop Years

Attached for your information are the Research and Development Division's planned actions to convert the remaining multiple peril crop insurance policies to the common crop insurance policy format and other important program initiatives. Also included are planned initiatives affecting actuarial and data systems re-engineering and simplification.

These plans provide program changes for the 1996/1997 crop years. These plans are based on RED's best estimates of the time needed for action and provide the utmost opportunity for program changes to be completed. This will assist in timely training and distribution and incorporation of changes for subsequent crop years so that producers can make timely and informed risk management decisions.

Not all program changes can be anticipated. Some changes may be mandated by initiatives such as the 1995 Farm Bill; however, known program improvements and/or suggestions to simplify the Federal crop insurance program will be considered and implemented as we move forward with these plans.

Attachments

Policy Development Project Plan for Crop Years 1996 and 1997

1996 Crop Insurance Policies

1. Revisions to existing policies

A. Catastrophic risk protection endorsement and subpart-T general administrative regulations implementing crop insurance reform

- Respond to comments received
- Revisions and clarifications as a final rule in the Federal Register

B. Revisions to common crop insurance policy--crop provisions with a November 30 and/or December 31 contract change date

- Coarse grains
- Cotton (AUP)
- Cotton (ELS)
- Sunflowers
- Revised/simplified prevented planting language
- Revise optional unit provisions
- Center pivot irrigation

C. Revisions to crop endorsement under the general crop insurance policy

- Florida citrus endorsement
- Interim rule adds language needed for calculating indemnities under the catastrophic risk protection coverage

2. Policies to be brought under the common crop insurance policy

A. Crop provisions with a June 30 contract change date

- Nursery and the frost, freeze, and cold damage exclusion option
- Sugarcane

(Proposed rule comment period ended - regulations to be final rule prior to 5/15 actuarial filing)

B. Crop provisions with a November 30 and/or December 31 contract change date

- Dry bean
- Hybrid corn seed
- Hybrid sorghum seed
- Rice
- Malting barley endorsement

These policies are targeted to be published as final rules by the October 1 actuarial filing

date. Hybrid seed policies and rice contain simplified prevented planting and clarification regarding optional units for non-irrigated corners of a center pivot irrigation system.

3. New crop pilot programs for the 1996 crop year-- policies in common policy format

- Canola/rapeseed
- Revised policy to allow fall seeded canola and rapeseed coverage
- Millet (new pilot policy)
- Florida fruit trees (new pilot policy)

4. Other initiatives

A. Proposed rule for implementation of the ineligible file tracking system targeted for final rule effective the 1996 crop year.

B. Proposed revisions to SSN/EIN regulations-- agent/loss adjuster SSN/EIN and husband and wife SBI to be effective for the 1996 crop year.

C. Analysis of the peanut and tobacco programs to assess the feasibility of converting to an APH-based yield methodology. If feasible, targeted for the 1997 crop year.

1997 Crop Year Policies

1. Revisions to the common crop insurance policy - basic provisions to include:

- Revisions to share insured
- May only insure your share
- Allow establishment of market price elections after contract change date
- States insurable acreage must have been planted/harvested within last 3 years, excluding years of crop rotation or participation in USDA programs
- Establish acreage report due date at latest A/R date on multiple crop policy
- Allow for insuring contiguous land across non-discernable county line

2. Policies to be brought under the common crop insurance policy

A. Crop provisions with a February 28 contract change date

- Texas citrus tree

B. Crop provisions with an April 15 or April 30 contract change date

- Florida citrus
- Forage seeding
- Pepper
- Raisin *
- Sugar beet
- Fresh market sweet corn
- Fresh market dollar plan tomato

* (Will be effective for the 1996 crop year)

C. Crop provisions with a May 31 or June 30 contract change date

- Small grains crop provisions
- Forage production
- Southern potato

D. Crop provisions with an August 31 contract change date

- Almond
- Apples
- Cranberry
- Grape
- Macadamia tree
- Peaches
- Pears
- Safflower
- Macadamia nut

Group risk plan of insurance -

- Barley
- Forage
- Soybean
- Corn
- Grain sorghum
- Wheat
- Cotton
- Peanut

E. Crop provisions with an October 31 contract change date (California crops)

- Plum
- Table grape
- Prune
- Walnut
- Stonefruit

G. Crop provisions with a November 30 and/or December 31 contract change date

- Peanut
- Quota tobacco
- Dry pea
- Green pea
- Popcorn
- Canning & freezing sweet corn
- Canning and processing tomato
- Fresh market tomato guaranteed production
- Potato (northern) & Options
- Guaranteed tobacco
- Canning and processing bean
- Onion

1998 Crop Year Policies

A. Crop provisions with an August 31 contract change date

- AZ-CA citrus **
- Texas citrus **

** Aug. 31, 1996 for 1998 Crop Year

Actuarial Initiatives and Project Plans for Crop Years 1996 and 1997

Crop Year 1996 Initiatives.

1. Restructure of actuarial documents--changes due to re-engineering and crop reform requirements.
 - New FCI-35 formats (reduced pages by 33-50 percent)
 - Options that were previously types (and rated separately) to be displayed as add ons
 - Coverage levels established at 5 percent intervals (capability to go to 1 percent increments in the future if necessary)
 - Display hail and fire exclusion as a percentage discount vice previous complex formulae
 - Eliminate the special rating table through use of rate adjustment factors on the FCI-35 supplements and establish a rate on the FCI-2 agreement (makes FCI-2 automation a priority)
 - Display unit discount factors on the FCI-35 to simplify worksheet calculations
 - Publish a combined Producer Premium Percentage Tables document (11 pages) to save one page from every county crop program actuarial document
 - File all actuarial documents (excluding maps) electronically--previously only FCI- 35's, special provisions, and rules pages were electronic
 - Standardize/minimize pages of supplements, rules pages, special provisions
 - Redesign the Actuarial Data Master (ADM) to comply with the re-engineered actuarial documents and provide for electronic distribution
2. Re-engineering and data processing improvements.
 - Standardize the format and data requirements, and automate the FCI-2 written agreement process
 - Implement the StatPlan normalized actuarial database to facilitate rating and analyses
 - Provide an operational public access server, with a 1-800 telephone number and Internet connectivity, to allow industry and CFSA to access StatPlan, bulletins, and other information
 - Implement the Ineligible Tracking System to reject duplicate policies, debtors, etc.
 - Provide automated access to ASCS yield and base acres data for companies
 - Automate the escrow accounting process (now manual):
 - Eliminates the manual check register
 - Will fund company escrow daily on validated losses
 - No monthly reconciliations required (simplification)
 - Provides faster transfer of funds to companies
3. Data system change requirements - Draft 1996 Manual 13 by end of May 1995.
 - Options: New data reporting requirement to reflect changing coverage options from crop types to add ons (helped reduce FCI-35's by 33-50 percent)
 - Map area rate differentials
 - Name reporting by last, first, middle (delayed from 1995 crop year at industry request)
 - Display of 31 percent expense reimbursement on summaries of protection by companies
4. Simplification initiatives for the 1996 crop year

- Complete all error checks/validations before rejecting a record
- Reduce pages of actuarial documents and publish electronically to reduce copy time
- Eliminate zero-fill requirement to reduce data transmission times
- Provide new DAS validation COBOL software to companies to reduce their data processing costs
- Reduce M-13 reporting requirements (for example, address, phone number, etc.)
- Reduce hard edit/reject requirements (for example, calculated and ADM-published fields)
- Eliminate accounting deduction flags (such as, why a deduction was made)
- Eliminate types and practices when feasible
- Provide actuarial "packing list" with each filing
- Establish an automated Manager Bulletin/R&D Info Memo bulletin board system for remote access

Crop Year 1997 Initiatives.

- Expand and renumber crop codes
- Standardize type and practice codes across crops
- Combine/eliminate types and practices
- Develop state special provisions books to combine like wording to reduce paper
- Pursue provisional pricing in the actuarials with later market prices for most crops
- Establish capability to publish map area legal descriptions in the actuarials to take the place of or augment the actuarial maps (FCI-33's) to minimize agent look-up time
- Issue the Summary of Changes with each filing
- Establish NCS rate differentials vice special rates and simplify the NCS process
- Pilot and implement rating changes and improvements
- Complete re-engineering of all business functions
- Automate interfaces with selected CFSA/USDA databases

INFORMATIONAL MEMORANDUM: R&D-96-023

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1995 Group Risk Plan Final Payments

Attached are the final payment yields and factors for 1995 Group Risk Plan peanuts. Final payment yields have also been incorporated into the Actuarial Data Master. These payment yields and factors do not apply to Catastrophic Risk Protection for 1995. For Farm Service agency offices, these yields and factors are for informational purposes only.

Attachment

NOTE: Hard copy of bulletin and attachment will be mailed.

INFORMATIONAL MEMORANDUM: R&D-96-024

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Offices (For Informational
Purposes Only)

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Group Risk Plan (GRP) Common Policy and Barley and Wheat Crop Provisions
for the 1997 Crop Year

Attached are the GRP Common Policy (97102) and the Barley (97191) and Wheat (97111) Crop Provisions that will become effective for the 1997 and succeeding crop years. Please note the following changes:

1. GRP Common Policy

The preliminary payment has been eliminated. Meetings with focus groups indicated that the preliminary payment was of limited benefit and caused a significant amount of confusion.

2. Barley and Wheat Crop Provisions

The Program Dates Section has been changed in both Crop Provisions. These changes are the same as the proposed date changes for all other wheat and barley crop provisions for the 1998 crop year.

The new policy and crop provisions are available on the Reporting Organization Server in WordPerfect 6.0/6.1. You can find this file in the /miscellaneous_file/directory as "97endor.zip". Any questions on these changes should be directed to the Research and Evaluation Branch at (816) 926-6343.

Attachments

NOTE: For Farm Service Agency offices, this Bulletin is for informational purposes only.

INFORMATIONAL MEMORANDUM: R&D-96-025

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Reactivation of FSA-423's

BACKGROUND:

State and local Farm Service Agency (FSA) offices were instructed by Notice RM-144 not to distribute 1996 FSA-423's to insurance companies and producers. As a result of this notice, the FSA software program that generated the FSA-423 was disabled for 1996. Therefore, producers and insurance providers were unable to obtain program yield and cropland acreage information needed to establish Actual Production History.

ACTION:

On June 7, 1996, FSA issued Notice RM-160 informing local FSA offices that the software program that generates the FSA-423 would be reactivated. For all 1996 crop year policies, insurance companies and producers may obtain the FSA-423 containing the program yield and cropland acreage information (by practice, if applicable) from the local FSA office. The FSA Historical Weighted Average Yield (HWY Yield) or the adjusted yields are not acceptable for crop insurance purposes. Refer to the 1996 FCIC 18010 Crop Insurance Handbook or 1996 FCIC 18100 Catastrophic Risk Protection Handbook for appropriate procedures.

Attachment

INFORMATIONAL MEMORANDUM: R&D-96-026

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B.Witt
Director
Research and Development Division

SUBJECT: 1996 Data Acceptance System (DAS) Handbook Slipsheets

Attached is the 1996 Reinsurance Year DAS Handbook (Manual 13) exhibits which contain the most recent modifications to the DAS reporting requirements. These revised exhibits contain clarifications to the April exhibits, plus changes required for new crop programs.

The major changes to the M-13 include:

- * Clarification of name requirement for the Enterprise Entity type.
- * Clarification of the Crush District for California Grapes.
- * Clarification of codes for Nonstandard Classification.
- * Addition of reporting requirements for the new 1996 Malt Barley Options.
- * Addition of Written Agreement Flag for Macadamia Trees.
- * Clarification of Yield Limit Flags.
- * Clarification and addition of premium and indemnity calculations for Income Protection, and Crop Revenue Coverage crops.
- * Addition of Replant Guarantee Field and replant calculations.

These changes were discussed at the June 10 and 11, 1996, Data Processing Managers' meeting in Kansas City. The revised pages have the month and year in the heading. If you have any questions regarding the handbook, please contact Seavey Anthony at (816) 926-3940.

Attachment - will follow in the mail

INFORMATIONAL MEMORANDUM: R&D-96-027

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

This is an addendum to the 1997 Actuarial Table (Special Provisions) for counties with a June 30 contract change date. The following information should be made available for the applicable crops no later than 30 days prior to the Sales Closing Date.

CROP	STATE	COUNTY	CAT PRICE	ESTABLISHED PRICE	UNIT
Wheat	All	All	\$2.31	\$3.85	Bu.
Barley	All	All	\$1.38	\$2.30	Bu.
Oats	All	All	\$0.96	\$1.60	Bu.
Rye	All	All	\$1.83	\$3.05	Bu.

The above prices are the established, or floor, prices for these crops for the 1997 crop year. The prices for these crops will be reviewed and the market, or maximum prices for the above crops will be announced on or before September 2, 1996. Prices for durum wheat and malting barley will also be announced on this date.

June 28, 1996

INFORMATIONAL MEMORANDUM: R&D-96-028

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1995 Group Risk Plan Final Payments

Attached are the final payment yields and factors for 1995 Group Risk Plan cotton. Final payment yields have also been incorporated into the Actuarial Data Master. These payment yields and factors do not apply to Catastrophic Risk Protection for 1995. For Farm Service Agency offices, these yields and factors are for informational purposes only.

Attachment - will follow in the mail

INFORMATIONAL MEMORANDUM: R&D-96-029

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B.Witt
Director
Research and Development Division

SUBJECT: 1997 Data Acceptance System (DAS) Handbook Exhibits

The exhibits for the 1997 Reinsurance Year DAS Handbook (Manual 13), which contain the DAS reporting requirements, have been released on the Reporting Organization (RO) server. Beginning with 1997, these exhibits will be maintained electronically via the RO server. This method will provide faster updates and allow companies to customize comment fields. The Manual 13 software can be copied as many times as needed.

This release contains the record descriptors and reporting requirements. The next release of the software will include a word processing capability which will enable inclusion of additional reference material such as tables and examples. This software was demonstrated at the previous two Data Processing Managers' Meetings, recommended changes incorporated, and a draft released on June 19, 1996. Suggestions for future enhancement or improvements of this product will be appreciated.

If you have any questions or comments regarding this release, please contact Seavey Anthony at (816) 926-3940.

June 28, 1996

INFORMATIONAL MEMORANDUM: R&D-96-030

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: June 30 Actuarial Filing

BACKGROUND:

Requests have been made to notify our customers when an actuarial file listing has been released, and to produce an inventory or listing of specific county crop programs for each actuarial filing so that insurance providers can assure all documents are received.

ACTION:

A listing of county crop programs that come under the June 30 filing schedule will be included in the electronic documents on the Reporting Organization (RO) server. Please use this listing as a reference to determine the actuarial being sent to your office. The June 30 actuarial, except GRP wheat, was released electronically on May 21, 1996, via the RO server. It is being released again June 28, 1996, to include the GRP wheat.

You can find this file on the RO Server in the /Supplements/1997/ directory as '97pak630.zip'

INFORMATIONAL MEMORANDUM R&D-96-31

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ 7-12-96
Director
Research and Development Division

SUBJECT: Pilot Crop Insurance Program Announcement for Avocado

The Federal Crop Insurance Corporation (FCIC) Board of Directors recently approved offering a pilot crop insurance program for avocado. The avocado pilot program will be a Revenue Insurance plan of multiple peril crop insurance offered for the 1998, 1999, and 2000 crop years. The pilot program will be offered in Ventura County, California.

Avocado producers may sign up for all coverage levels through an approved crop insurance agent. Catastrophic coverage is also available at the local office of the Farm Service Agency. Coverage must be purchased before the November 30, 1996, sales closing date for the 1998 crop year. Linkage requirements, including the waiver of eligibility for emergency assistance, to be eligible for certain other Department of Agriculture program benefits apply for avocado as with any other insurable crop.

Crop insurance agents will need to have access to a computer capable of running the Revenue Insurance software to quote Revenue Insurance premiums. The software is in a Windows 3.1 format. The Avocado Revenue Insurance software will be available on the Reporting Organization Server after July 29, 1996.

Office of Risk Management will provide training covering: Program Overview, Avocado Crop Insurance Provisions, Underwriting Procedures, and Software Usage. The Examination for Sales Agent Certification will also be given. The meeting location is: Citrus Exchange Building, 201 S. Streckel Street, Santa Paula, California. The meeting date and times are: July 24, 1996, 1 to 4:30 p.m. PDT.

Please contact Elaine Taylor in the Research and Evaluation Branch at (816) 926-6343 prior to July 17, 1996, and furnish the names of anyone who wishes to attend.

The crop insurance handbook update, loss adjustment standards handbook, and the crop provisions will be furnished in the near future.

INFORMATIONAL MEMORANDUM: R&D-96-032

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: CAT Policy Data for Single Delivery States

The Secretary of Agriculture has announced that delivery of crop insurance by local offices will no longer be available in 14 States beginning with the 1997 crop year. To facilitate the initial transfer of Farm Service Agency (FSA) insureds, each affected reinsured company will be provided a file, by State, of their policyholders who have a catastrophic risk protection coverage (CAT) policy with an FSA local office and have an additional coverage policy with the same company. Any available experience data for these FSA policyholders will also be provided to the reinsured companies.

These files are available on the Reporting Organization (RO) server. This information is for reinsured companies to use in contacting insureds for consideration to voluntarily transfer their FSA CAT policy(ies) as soon as possible to the agent servicing their additional coverage policies.

For technical questions regarding the RO server, contact Reid Earls at (816) 926-6368.

INFORMATIONAL MEMORANDUM: R&D-96-033

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations (Information Only)

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Crop Revenue Coverage (CRC) Wheat

BACKGROUND:

The Federal Crop Insurance Corporation Board of Directors has approved a pilot program for Crop Revenue Coverage (CRC)-Wheat effective for the 1997 crop year. Reinsured companies who choose to participate in this program must use FCIC approved policies, procedures, and actuarial information. CRC wheat is available only for additional coverage policies.

ACTION:

CRC-Wheat actuarial is available electronically via the Reporting Organization (RO) server. This release includes the FCI-35 Coverage and Rate Tables, Special Provisions of Insurance, and the Premium Calculation Worksheet for the States of Kansas, Michigan, Nebraska, South Dakota, Texas, Washington, and specific counties in Montana.

In addition, the following files are also provided on the RO server:

- CRC Basic Policy - Wheat
- CRC Wheat Provisions
- CRC Mandatory Endorsement - Wheat
- CRC Underwriting Rules - Wheat
- CRC Questions and Answers - Wheat

* These files can be found on the RO Server in the /Crop_Revenue_Coverage/ directory as the file **'97crepol.zip'**.

INFORMATIONAL MEMORANDUM: R&D-96-033.1

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations - Information Only

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Crop Revenue Coverage (CRC) Wheat

BACKGROUND:

R&D Informational Memorandum R&D-96-033 announced the availability of CRC-Wheat actuarial via the Reporting Organization (RO) server. The release included the FCI-35 Coverage and Rate Tables, Special Provisions of Insurance, and the Premium Calculation Worksheet for the States of Kansas, Michigan, Nebraska, South Dakota, Texas, Washington, and specific counties in Montana.

A County Actuarial Table Endorsement - Wheat should also have been included in the release.

ACTION:

In addition to CRC files announced in R&D-96-033 the following file for implementing CRC - Wheat is also provided on the RO server:

County Actuarial Table Endorsement - Wheat (97-CRC-CATE-Wheat)

United States Farm Office of P.O. Box 419293
Department of Service Risk Kansas City
Agriculture Agency Management Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-034

TO: All Reinsured Companies
 All Risk Management Field Offices
 FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
 Director
 Research and Development Division

SUBJECT: Income Protection - Wheat Pilot Program Expansion

The Board of Directors of the Federal Crop Insurance Corporation (FCIC) has granted approval to expand the Income Protection - Wheat pilot plan of insurance for the 1997 through 1999 crop years. For the 1997 crop year, the Income Protection - Wheat pilot program will be expanded to the following states and counties:

Kansas: Harper, Harvey, Jewell, Kingman, Mitchell, Osborne, Phillips,
 Reno, Rooks, Sedgwick, Smith, and Sumner

Montana: Cascade, Fergus, Judith Basin, Pondera, and Teton

Washington: Whitman

Income protection is available at both the additional and catastrophic (CAT) levels of coverage, but only through approved crop insurance agents. Coverage for the 1997 crop year must be purchased before September 30, 1996. This expansion includes the following major changes: addition of a catastrophic level of coverage and creation of hard copy rate tables for the calculation and quotation of premiums.

The rates, crop provisions, and other materials for Income Protection - Wheat are available on the Reporting Organization Server in the Income Protection Directory. Information about Income Protection - Wheat is available on the FCIC web site, <http://www.act.fcic.usda.gov>. The Premium Calculation Software will be modified to provide users Income Protection - Wheat quotations. The software and rate files are also available for downloading from the FCIC web site. Hard copies of the crop provisions, special provisions, acknowledgment of difference, underwriting procedure, rate tables and loss procedure are being sent by mail.

If you have any questions about this pilot program, please contact Vondie O'Conner at (816)-926-6343 or by fax at (816)-926-7343.

INFORMATIONAL MEMORANDUM: R&D-96-034.1

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Income Protection - Wheat Pilot Program Refined Actuarial Materials

BACKGROUND:

Attached are the 1997 approved FCI-35's and Special Provisions of Insurance for the Income Protection - Wheat pilot program. These are refiled materials that added program dates for winter and spring wheat types and re-entered the county yield spans.

ACTION:

The Income Protection - Wheat actuarial is available electronically via the Reporting Organization (RO) server. This release includes the FCI-35 Coverage and Rate Tables, Special Provisions of Insurance and for your convenience the Income Protection - Wheat Crop Provisions.

If you have any questions about this pilot program, please contact Vondie O'Conner at (816)-926-6343 or by fax at (816)-926-7343.

Attachments - will follow with hard copy

INFORMATIONAL MEMORANDUM: R&D-96-035

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery
& Field Operations

FROM: Tim B. Witt /s/
Director
Research and Development Division

SUBJECT: Issuance of the 1997 FCIC 18010 Crop Insurance Handbook

BACKGROUND:

For the 1997 crop year, changes have been made to underwriting, administrative, and Actual Production History (APH) procedures/calculations for the Federal crop insurance program. The Federal Crop Insurance Corporation (FCIC) is transmitting these changes for limited and additional coverage via the 1997 FCIC 18010 Crop Insurance Handbook (CIH). The same changes will be made, as applicable, to the FCIC 18100 Catastrophic Risk Protection (CAT) Handbook, to be issued shortly. Changes not applicable to CAT coverage are marked (NACAT) in the summary of changes.

Summary of Changes:

Section 4

- Removes Highly Erodible Land (HEL) and Wetland
- Conservation (WC) compliance verification requirements.
- (NACAT) Modifies the required written agreement request statements.

Section 5

- Outlines that program yields for crop insurance purposes will be taken from the Farm Service Agency (FSA)-423.
- Authorizes insurance providers to determine approved APH yields for blueberries in Michigan.
- Removes the use of cups or caps when the program yield and/or Transitional Yield ("T" Yield) changes by 10 percent or more when "T" yields are used in the approved APH yield calculation.
- Implements the use of simple average program yields to determine "T" Yields if more than one FSA farm serial number is contained in a unit.
- Reserves a section for pilot county "T" Yield procedures for new producers pending analysis and approval on whether or not to continue the pilot program.
- Clarifies the acres and production to be used for APH purposes when acreage is bypassed/unharvested.
- Updates sugarcane instructions to determine pounds of raw sugar used for APH.
- For perennial crop acreage tolerance review purposes, does not require a new inspection if the latest field inspection is not more than 5 years old.

Exhibit 6

--(NACAT) Authorizes insurance providers to approve initial potato Master Yields in Minnesota.

Exhibit 11

--(NACAT) Authorizes insurance providers to approve written agreements for non-irrigated corn for grain when only irrigated corn for grain is listed on the actuarial table, overage stands of forage production, and unrated NIBR practice sunflowers.

Exhibit 16

--Modifies the Producer's Pre-acceptance Worksheet outlining that the insurance provider must obtain the required information, perform an inspection, or deny coverage if the worksheet is not completed in an acceptable manner by the insured.

--Clarifies that perennial crop approved APH yields will be calculated using total production and total acres if separate block production is not certified. Updates several examples to more clearly illustrate these requirements.

--Adds blueberries in Michigan to the APH instructions.

Exhibit 17

--A chart has been added that illustrates FSA rules for skip-row planting patterns.

Exhibit 22

--(NACAT) Removed the instructions for the 95-91A Malting Barley Endorsement. It is not available for the 1997 crop year.

Exhibit 33

-(NACAT) Removed the pilot county instructions for air-seeded soybean written agreements.

Exhibit 36

-Charts have been added to clarify added land/practice/type/variety procedures.

--For determined irrigated yields, bases irrigated "T" Yield reference factors on the years of actual yields contained in the reference unit's database.

ACTION:

Attached is the approved 1997 FCIC 18010 Crop Insurance Handbook. It is to be used in the administration of limited and additional coverage Federal crop insurance policies for the 1997 crop year; however, insurance providers may use the provisions that are also applicable to CAT coverage until the 1997 CAT Handbook is issued. Changes, additions, or corrections to the text are shaded to aid in identifying the changes. The CIH will be placed on the Reporting Organization Server in WordPerfect 5.1. An informational memorandum from the Actuarial Branch will announce when it is available. If you do not have access to the Reporting Organization Server, a set of disks containing the CIH is available in WordPerfect 5.1 upon request. If you have any questions about the CIH, please contact the Product Development Branch at (816) 926-7743.

Attachment - Will be mailed

INFORMATIONAL MEMORANDUM: R&D-96-036

TO: All Reinsured Companies
FSA Headquarters, Program Delivery, and Field Operations
All Risk Management Field Offices

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Crop Revenue Coverage Wheat Pilot Program and Small Grains Quality
Adjustment Revisions for the 1997 Crop Year

ISSUE:

Quality adjustment determinations for small grains (barley, flax, oats, rye and wheat) have been revised beginning with the 1997 crop year. The same quality adjustment determinations used for wheat, will also be used for Crop Revenue Coverage (CRC) Wheat Pilot Program. The purpose of this Informational Memorandum is to advise appropriate parties of the details of this revision.

DISCUSSION:

Informational Memorandum R&D-94-046 indicated that work would continue toward expanding the coarse grains quality adjustment approach to other crops as soon as possible. Feedback regarding the coarse grains quality adjustment revisions for the 1995 crop year has been very positive, and the small grains quality adjustment revisions are now being implemented for the 1997 crop year.

Please refer to the Special Provisions statements for barley, flax, oats, rye and wheat (wheat quality adjustment statements are applicable to CRC Wheat Pilot Program) for the 1997 crop year. The statements describe how the quality adjustment factor is determined and applied.

SUMMARY:

All insurers are to advise their insureds, agents, loss adjusters, and other appropriate personnel of these changes for the 1997 crop year.

INFORMATIONAL MEMORANDUM: R&D-96-037

TO: All Reinsured Companies
All Risk Management Agency Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Collection of Catastrophic Risk Protection Administrative Fees When Transfers
Are Involved

BACKGROUND:

Manager Bulletin No. MGR-95-041 issued on July 11, 1995, detailed the procedures for transferring Catastrophic Risk Protection (CAT) policies from Farm Service Agency (FSA) local offices in a state determined to have a sufficient number of insurance providers available. A question has since arisen in the selected states, "Should the reinsured company collect the applicable CAT fee, by the sales closing date or by the acreage reporting date?"

ACTION:

Collection of CAT administrative fees are handled the same in the selected states as any other state. The FCIC 18100, Catastrophic Risk Protection (CAT) Handbook provides procedures for the collection of administrative fees.

For carryover insureds/policies, administrative fees are due and must be paid by the applicable acreage reporting date (See the Sec. 4, Par. C). A carryover insured is defined as "A person or entity who was insured the previous year without respect to the carrier or agent and is determined on a crop policy (by county) basis (See Sec. 5, Par. B[11]). If the producer (carryover insured) had previously paid the administrative fee for the crop and then transferred the policy to a different insurance provider, the ceding insurance provider must refund the administrative fee (if a refund is due) to the producer. The assuming insurance provider must collect any applicable fee (See Sec. 4, Par. C[2]2nd note)."

For new insureds/policies, administrative fees are due at the time of application (See Sec. 4, Par C).

INFORMATIONAL MEMORANDUM: R&D-96-038

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1997 Wheat Crop Revenue Coverage (CRC) - Price Factor Estimates

BACKGROUND:

Questions have been raised concerning the ability of agents to quote 1997 CRC-Wheat premiums in those states and/or areas where the CRC low price and high price factors have not been published. Bulletin No. MGR-96-042 advised that all other price factors would be released as an actuarial addendum, most likely within the first week of September. The current design of CRC-Wheat in these specific areas leaves limited time for marketing.

ACTION:

Reinsured Companies, at their discretion may choose to begin marketing CRC-Wheat in areas where the low and high price factors are not yet available. For those areas where CRC-Wheat is based upon the Minneapolis Grain Exchange (MGE) and the Portland Grain Exchange (PGE), the following 1996 crop year low and high price factor ESTIMATES are being made available.

Board of Trade	Crop	Price Factors	
		Low	High
MGE	Wheat	0.233*	0.224*
PGE	Wheat	0.352*	0.365*

* CAUTION: THESE PRICE FACTORS ARE ONLY ESTIMATES AND PRODUCERS MUST BE ADVISED THAT PREMIUM ESTIMATES ARE ESTIMATES ONLY.

Reinsurance and associated subsidies will only be applicable to the FCIC approved low and high price factors issued in September via the Actuarial Addendum.

INFORMATIONAL MEMORANDUM: R&D-96-039

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Tim B. Witt /s/ Roberta E. Waggoner (for)
Director
Research and Development Division

SUBJECT: 1996 Crop Revenue Coverage (CRC) - Early Loss Payments

BACKGROUND:

Questions have been raised concerning payments on early Crop Revenue Coverage (CRC) corn and soybean losses. These policies are silent on this matter; however, 1997 CRC Wheat Underwriting Rules, Section 9, dated June 18, 1996, on the Reporting Organization Server state:

"If the harvest guarantee is not known at the time the loss is determined, then payable losses will be paid in two segments." Refer to Section 9 for specific details.

ACTION:

Research and Development Division will modify the Data Acceptance System to allow reinsured companies to process 1996 CRC corn and soybean losses consistent with the 1997 CRC Wheat Underwriting Rules (Section 9). For CRC losses that are reported at a time when the harvest guarantee is not known, reinsured companies may choose to process the loss (a record type 21) based on the spring market price to include the indemnity for loss of production. If the published harvest market price for corn and soybeans is greater than the spring market price, reinsured companies may subsequently process the same record (record type 21) to include the added indemnity due to the price change.

INFORMATIONAL MEMORANDUM: R&D-96-040

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1996 Support Prices for Peanuts

The 1996 support prices for peanuts are used in the claims process as listed in Section 9 f. (2) of the peanut policy. The 1996 support prices for peanuts are shown below and have been released as part of the Actuarial Data Master.

Type(s)	Support Price Cents per lb
Virginia (081)	30.2
Runner (084)	30.7
Spanish (082, 083)	28.3
Valencia (085), suitable for cleaning & roasting New Mexico, Oklahoma, and Texas	30.2
Valencia (085), Other States	28.3



United States
Department of
Agriculture

Farm
Service
Agency

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-041

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Actuarial Release

BACKGROUND:

Requests have been made to notify customers when actuarial information has been released, and to produce an inventory of the specific county crop programs included in the release so that insurance providers can assure all documents are received.

ACTION:

Attached is a listing of the county crop programs for the 1997 crop year that are filed under the August 31 through October 31 contract change dates. Also included under the August 31 contract change date is citrus crops for the 1998 crop year in Arizona, California, and Texas. Separate listings are provided for expansion counties and corrected county crop programs. Please use these listings as a reference to determine the actuarial documents being sent to your office. The actuarial materials noted above have been released electronically today, on the Reporting Organization (RO) Server.

Expansion counties include canola in Idaho, Oregon and Georgia; wheat in South Dakota; and, blueberries in Maine.

Corrected actuarial includes Income Protection wheat in Kansas, Montana, and Washington, and Crop Revenue Coverage wheat in Kansas, Nebraska, Montana, Texas, and Washington.

Income Protection wheat - The refiled materials for Income Protection wheat added program dates for winter and spring wheat types and centered the county yield spans.

Crop Revenue Coverage wheat - Actuarial materials are refiled to correct the short rate adjustment in applicable Kansas, Nebraska, and Texas counties and the final planting dates in applicable Kansas, Nebraska, Montana, and Washington counties. The actuarial documents dated July 11, 1996, for Michigan and South Dakota are correct and applicable for the 1997 crop year.

For the above crop corrections, the earlier released actuarial document files and any printed documents from them should be discarded. New actuarial documents dated August 12, 1996, have been placed on the RO Server for applicable counties in Kansas, Montana, and Washington for Income Protection wheat and in **all** Kansas, Nebraska, Montana, Texas, and Washington counties for Crop Revenue Coverage wheat. These new documents supersede those dated July 11, 1996, and July 14, 1996.



INFORMATIONAL MEMORANDUM: R&D-96-042

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

This is an addendum to the 1997 Actuarial Table (Special Provisions) for counties with an August 31 contract change date. The following information should be provided to all producers for the applicable crops no later than 30 days prior to the Sales Closing Date.

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
ALMONDS	\$1.02	\$1.70	Pound
APPLES			
Arkansas			
Fresh	\$2.46	\$4.10	Bushel
Processed	\$1.14	\$1.90	
Arizona			
Fresh	\$3.06	\$5.10	Box
Processed	\$0.84	\$1.40	
California			
Fresh	\$4.68	\$7.80	Box
Processed	\$1.05	\$1.75	
Colorado			
Fresh	\$2.70	\$4.50	Bushel
Processed	\$0.93	\$1.55	
Connecticut			
Fresh	\$4.02	\$6.70	Bushel
Processed	\$3.06	\$5.10	
Georgia			
Fresh	\$2.46	\$4.10	Bushel
Processed	\$1.14	\$1.90	
Idaho			
Fresh	\$2.34	\$3.90	Box

<u>CROP</u>	<u>CAT</u> <u>PRICE</u>	<u>PRICE</u> <u>ELECTION</u>	<u>UNITS</u>
APPLES			
Illinois			
Fresh	\$3.21	\$5.35	Bushel
Processed	\$1.32	\$2.20	
Indiana			
Fresh	\$3.33	\$5.55	Bushel
Processed	\$1.20	\$2.00	
Massachusetts			
Fresh	\$3.66	\$6.10	Bushel
Processed	\$1.83	\$3.05	
Maryland			
Fresh	\$2.76	\$4.60	Bushel
Processed	\$1.35	\$2.25	
Maine			
Fresh	\$3.36	\$5.60	Bushel
Processed	\$1.59	\$2.65	
Michigan			
Fresh	\$2.46	\$4.10	Bushel
Processed	\$1.38	\$2.30	
Missouri			
Fresh	\$3.33	\$5.55	Bushel
Processed	\$0.90	\$1.50	
North Carolina			
Fresh	\$1.86	\$3.10	Bushel
Processed	\$1.11	\$1.85	
New Hampshire			
Fresh	\$4.08	\$6.80	Bushel
Processed	\$1.41	\$2.35	
New Jersey			
Fresh	\$3.48	\$5.80	Bushel
Processed	\$1.17	\$1.95	
New Mexico			
Fresh	\$2.91	\$4.85	Bushel
Processed	\$1.20	\$2.00	
New York			
Fresh	\$3.09	\$5.15	Bushel
Processed	\$1.29	\$2.15	
Ohio			
Fresh	\$3.42	\$5.70	Bushel
Processed	\$1.08	\$1.80	

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
APPLES			
Oregon			
Fresh	\$2.43	\$4.05	Box
Pennsylvania			
Fresh	\$2.64	\$4.40	Bushel
Processed	\$1.41	\$2.35	
Rhode Island			
Fresh	\$3.84	\$6.40	Bushel
Processed	\$2.40	\$4.00	
South Carolina			
Fresh	\$3.09	\$5.15	Bushel
Processed	\$1.20	\$2.00	
Tennessee			
Fresh	\$2.46	\$4.10	Bushel
Processed	\$1.14	\$1.90	
Utah			
Fresh	\$2.31	\$3.85	Box
Virginia			
Fresh	\$2.25	\$3.75	Bushel
Processed	\$1.29	\$2.15	
Vermont			
Fresh	\$3.00	\$5.00	Bushel
Processed	\$1.44	\$2.40	
Washington			
Fresh	\$3.21	\$5.35	Box
Wisconsin			
Fresh	\$3.45	\$5.75	Bushel
Processed	\$1.08	\$1.80	
West Virginia			
Fresh	\$2.43	\$4.05	Bushel
Processed	\$1.23	\$2.05	
BLUEBERRIES			
Maine	\$0.15	\$0.25	Pound
Michigan	\$0.18	\$0.30	
Mississippi	\$0.26	\$0.42	
New Jersey	\$0.24	\$0.40	
North Carolina	\$0.26	\$0.43	

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
CRANBERRIES	\$36.00	\$60.00	Barrel
GRAPEFRUIT			
Arizona	\$1.05	\$1.75	Carton
California	\$1.80	\$3.00	
Texas			
Ruby Red Grapefruit	\$36.00	\$60.00	Ton
Rio Red & Star Ruby			
Fresh	\$54.00	\$90.00	
Processed	\$39.00	\$65.00	
All Other Grapefruit	\$27.00	\$45.00	
GRAPES-NON CA			
Arkansas			
All \$210.00	\$350.00		Ton
Michigan			
Group A	\$132.00	\$220.00	
Group B	\$240.00	\$400.00	
Missouri			
Group A	\$132.00	\$220.00	
Group B	\$255.00	\$425.00	
Mississippi			
All \$210.00	\$350.00		
New York			
Group A	\$120.00	\$200.00	
Group B	\$144.00	\$240.00	
Ohio			
Group A	\$132.00	\$220.00	
Group B	\$240.00	\$400.00	
Pennsylvania			
Group A	\$120.00	\$200.00	
Group B	\$144.00	\$240.00	
Texas			
Chardonnay, Cabernet	\$540.00	\$900.00	
Sauvignon, or Sauvignon			
Blanc.			
All Other Varieties	\$360.00	\$600.00	

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
-------------	------------------	-----------------------	--------------

GRAPES-NON CA

Washington, Idaho, and

Morrow County Oregon

Group A \$114.00 \$190.00 Ton

Group B-Cabernet, Merlot,
Chardonnay, and/or Pinot
varieties \$510.00 \$850.00Group C-Grenache, Lem-
berger, Zinfandel, or other
unnamed pink or red varieties \$360.00 \$600.00Group D-Muscat varieties,
Sauvignon Blanc, Semillion
and other unnamed white
wine varieties \$300.00 \$500.00Group E-Chenin Blanc,
Gewurztraminer, Muller
Thurgau, and/or White
Riesling varieties \$240.00 \$400.00

Oregon - All Other Counties

Group B-Cabernet, Merlot,
Chardonnay, and/or Pinot
varieties \$570.00 \$950.00Group C-Grenache, Lem-
berger, Zinfandel, or other
unnamed pink or red varieties \$420.00 \$700.00Group D-Muscat varieties,
Sauvignon Blanc, Semillion
and other unnamed white
wine varieties \$360.00 \$600.00Group E-Chenin Blanc,
Gewurztraminer, Muller
Thurgau, and/or White
Riesling varieties \$300.00 \$500.00**LEMONS**

Arizona \$3.45 \$5.75 Carton

California \$4.20 \$7.00

CROP**CAT
PRICE****PRICE
ELECTION****UNITS**

MANDARINS

Arizona			
Kinnow Mandarins	\$3.00	\$5.00	Carton
California			
Kinnow Mandarins	\$3.00	\$5.00	

ORANGES

Arizona			
Navel Oranges	\$2.40	\$4.00	Carton
Sweet Oranges	\$2.40	\$4.00	
Valencia Oranges	\$1.20	\$2.00	
California			
Navel Oranges	\$2.25	\$3.75	
Sweet Oranges	\$2.25	\$3.75	
Valencia Oranges	\$2.25	\$3.75	
Texas			
Early & Mid-Season Oranges			
Fresh	\$54.00	\$90.00	Ton
Processed	\$45.00	\$75.00	
Late Oranges			
Fresh	\$51.00	\$85.00	
Processed	\$39.00	\$65.00	

PEACHES

Alabama			
Fresh	\$4.05	\$6.75	Bushel
Processed	\$1.50	\$2.50	
Arkansas			
Fresh	\$3.75	\$6.25	
Processed	\$1.50	\$2.50	
Colorado			
Fresh	\$6.00	\$10.00	
Processed	\$1.50	\$2.50	
Florida			
Fresh	\$4.80	\$8.00	
Processed	\$2.40	\$4.00	
Georgia - Bacon, Brooks, Colquitt, Lowndes, And Pierce Counties			
Fresh	\$4.80	\$8.00	
Processed	\$2.40	\$4.00	

CROP**CAT
PRICE****PRICE
ELECTION****UNITS****PEACHES**

Georgia - Other Counties			
Fresh	\$3.15	\$5.25	Bushel
Processed	\$2.40	\$4.00	
Kentucky			
Fresh	\$5.10	\$8.50	
Processed	\$1.50	\$2.50	
Louisiana			
Fresh	\$7.80	\$13.00	
Processed	\$1.50	\$2.50	
Maryland			
Fresh	\$4.35	\$7.25	
Processed	\$1.50	\$2.50	
Michigan			
Fresh	\$3.00	\$5.00	
Processed	\$1.50	\$2.50	
Missouri			
Fresh	\$4.05	\$6.75	
Processed	\$1.50	\$2.50	
Mississippi			
Fresh	\$5.55	\$9.25	
Processed	\$1.50	\$2.50	
New Jersey			
Fresh	\$5.40	\$9.00	
Processed	\$1.50	\$2.50	
New York			
Fresh	\$4.20	\$7.00	
Processed	\$1.50	\$2.50	
North Carolina			
Fresh	\$3.00	\$5.00	
Processed	\$1.50	\$2.50	
Oklahoma			
Fresh	\$6.00	\$10.00	
Processed	\$1.50	\$2.50	
Pennsylvania			
Fresh	\$3.60	\$6.00	
Processed	\$1.50	\$2.50	
South Carolina			
Fresh	\$3.00	\$5.00	
Processed	\$2.40	\$4.00	
Tennessee			
Fresh	\$6.15	\$10.25	
Processed	\$1.50	\$2.50	

CROP

**CAT
PRICE**

**PRICE
ELECTION**

UNITS

PEACHES

Texas - Hidalgo and Starr Counties			
Fresh	\$8.10	\$13.50	Bushel
Processed	\$1.50	\$2.50	
Texas - Other Counties			
Fresh	\$6.00	\$10.00	
Processed	\$1.50	\$2.50	
Virginia			
Fresh	\$3.30	\$5.50	
Processed	\$1.50	\$2.50	
West Virginia			
Fresh	\$3.00	\$5.00	
Processed	\$1.50	\$2.50	

PEARS

Green Barlett	\$99.00	\$165.00	Ton
Other Pears	\$240.00	\$240.00	

SAFFLOWERS

California	\$0.09	\$0.15	Pound
------------	--------	--------	-------

TANGELOS

Arizona			
Minneola Tangelos	\$3.00	\$5.00	Carton
Orlando Tangelos	\$2.40	\$4.00	
California			
Minneola Tangelos	\$3.00	\$5.00	
Orlando Tangelos	\$2.40	\$4.00	

INFORMATIONAL MEMORANDUM: R&D-96-042.1

TO: All Reinsured Companies
 All Risk Management Field Offices
 FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
 Director
 Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions) - Correction

This is a corrected addendum to the 1997 Actuarial Table (Special Provisions) for counties with an August 31 contract change date. The following information should be provided to all producers for the applicable crops no later than 30 days prior to the Sales Closing Date.

CROP	CAT PRICE	PRICE ELECTION	UNITS
GRAPES-NON CA			
Texas			
Group A-371-Chardonnay, Cabernet Sauvignon, or Sauvignon Blanc	\$540.00	\$900.00	Ton
Group B-372-All Other Varieties	\$360.00	\$600.00	
Washington, Idaho, and Morrow County Oregon			
Group A-161	\$114.00	\$190.00	
Group B-271-Merlot, Chardonnay, and/or Cabernet varieties	\$510.00	\$850.00	
Group B-272-Pinot varieties, Grenache, Zinfandel, Limberger, and other pink or red varieties	\$360.00	\$600.00	
Group B-273-Muscat varieties, Sauvignon Blanc, Semillion and other unnamed white wine varieties	\$300.00	\$500.00	
Group B-274-Chenin Blanc, Gewurztraminer, Muller Thurgau, and/or White Riesling/Johannisberg Riesling varieties	\$240.00	\$400.00	Ton

Oregon - All Other Counties		
Group B-271-Cabernet, Merlot, Chardonnay, and/or Pinot varieties	\$570.00	\$950.00
Group B-272-Grenache, Lem- berger, Zinfandel, or other unnamed pink or red varieties	\$420.00	\$700.00
Group B-273-Muscat varieties, Sauvignon Blanc, Semillion and other unnamed white wine varieties	\$360.00	\$600.00
Group B-274-Chenin Blanc, Gewurztraminer, Muller Thurgau, and/or White Riesling/Johannisberg Riesling varieties	\$300.00	\$500.00

PEARS

Green Barlett	\$99.00	\$165.00	Ton
Other Pears	\$144.00	\$240.00	



United States
Department of
Agriculture

Farm
Service
Agency

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-043

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

This is an addendum to the 1997 Actuarial Table (Special Provisions) for counties with an October 31 contract change date. The following information should be provided to all producers for the applicable crops no later than 30 days prior to the Sales Closing Date.

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
APRICOTS			
Fresh Apricots	\$3.66	\$6.10	Lug
Processing Apricots	\$129.00	\$215.00	Ton
FIGS			
Adriatic	\$0.36	\$0.60	Pound
Black Mission	\$0.36	\$0.60	
Calimyrna	\$0.63	\$1.05	
Kadota	\$0.36	\$0.60	
GRAPES			
California			
Crush District No. 1			
Barbera	\$300.00	\$500.00	Tons
Cabernet Franc	\$480.00	\$800.00	
Cabernet Sauvignon	\$540.00	\$900.00	
Carignane	\$255.00	\$425.00	
Chardonnay	\$615.00	\$1,025.00	
Chenin Blanc	\$225.00	\$375.00	
French Columbard	\$180.00	\$300.00	
Gamay	\$285.00	\$475.00	
Gamay Beaujolais	\$270.00	\$450.00	
Gewurztraminer	\$315.00	\$525.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

Grey Riesling	\$210.00	\$350.00
Green Hungarian	\$150.00	\$250.00

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No 1			
Merlot	\$600.00	\$1,000.00	Ton
Muscat Blanc/M Canelli	\$300.00	\$500.00	
Petite Sirah	\$375.00	\$625.00	
Pinot Noir	\$375.00	\$625.00	
Sauvignon Blanc	\$285.00	\$475.00	
Semillon	\$315.00	\$525.00	
White Riesling	\$300.00	\$500.00	
Zinfandel	\$345.00	\$575.00	
Other Varieties	\$180.00	\$300.00	
Syrah/French Syrah-Shiraz	\$540.00	\$900.00	
Crush District No. 2			
Cabernet Franc	\$615.00	\$1,025.00	
Cabernet Sauvignon	\$465.00	\$775.00	
Chardonnay	\$540.00	\$900.00	
Chenin Blanc	\$225.00	\$375.00	
Gamay	\$300.00	\$500.00	
Merlot	\$600.00	\$1,000.00	
Muscat Blanc/M Canelli	\$300.00	\$500.00	
Sauvignon Blanc	\$345.00	\$575.00	
Semillon	\$315.00	\$525.00	
White Riesling	\$285.00	\$475.00	
Zinfandel	\$330.00	\$550.00	
Other Varieties	\$180.00	\$300.00	
Crush District No. 3			
Barbera	\$600.00	\$1,000.00	
Burger	\$165.00	\$275.00	
Cabernet Franc	\$720.00	\$1,200.00	
Cabernet Sauvignon	\$690.00	\$1,150.00	
Carignane	\$300.00	\$500.00	
Chardonnay	\$660.00	\$1,100.00	
Chenin Blanc	\$225.00	\$375.00	
French Columbard	\$180.00	\$300.00	
Gamay	\$330.00	\$550.00	
Gamay Beaujolais	\$375.00	\$625.00	
Gewurztraminer	\$345.00	\$575.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 3			
Green Hungarian	\$120.00	\$200.00	Ton
Merlot	\$780.00	\$1,300.00	
Muscat Blanc/M Canelli	\$480.00	\$800.00	
Petite Sirah	\$480.00	\$800.00	
Pinot Blanc	\$465.00	\$775.00	
Pinot Noir	\$450.00	\$750.00	
Sauvignon Blanc	\$405.00	\$675.00	
Sauvignon Vert	\$150.00	\$250.00	
Semillon	\$345.00	\$575.00	
Sylvaner	\$225.00	\$375.00	
White Riesling	\$285.00	\$475.00	
Zinfandel	\$480.00	\$800.00	
Other Varieties	\$165.00	\$275.00	
Meunier	\$420.00	\$700.00	
Syrah/French Syrah-Shiraz	\$690.00	\$1,150.00	
Crush District No. 4			
Cabernet Franc	\$825.00	\$1,375.00	
Cabernet Sauvignon	\$900.00	\$1,500.00	
Carignane	\$330.00	\$550.00	
Chardonnay	\$750.00	\$1,250.00	
Chenin Blanc	\$240.00	\$400.00	
Flora	\$705.00	\$1,175.00	
French Columbard	\$270.00	\$450.00	
Gamay	\$330.00	\$550.00	
Gamay Beaujolais	\$375.00	\$625.00	
Gewurztraminer	\$300.00	\$500.00	
Merlot	\$870.00	\$1,450.00	
Muscat Blanc/M Canelli	\$480.00	\$800.00	
Petite Sirah	\$480.00	\$800.00	
Pinot Blanc	\$465.00	\$775.00	
Pinot Noir	\$585.00	\$975.00	
Sauvignon Blanc	\$405.00	\$675.00	
Semillon	\$465.00	\$775.00	
Sylvaner	\$225.00	\$375.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 4			
White Riesling	\$390.00	\$650.00	Ton
Zinfandel	\$390.00	\$650.00	
Other Varieties	\$180.00	\$300.00	
Meunier	\$480.00	\$800.00	
Syrah/French Syrah-Shiraz	\$810.00	\$1,350.00	
Crush District No. 5			
Cabernet Sauvignon	\$345.00	\$575.00	
Carignane	\$180.00	\$300.00	
Chardonnay	\$435.00	\$725.00	
Chenin Blanc	\$165.00	\$275.00	
French Columbard	\$150.00	\$250.00	
Gamay	\$300.00	\$500.00	
Petite Sirah	\$300.00	\$500.00	
Pinot Noir	\$300.00	\$500.00	
Sauvignon Blanc	\$195.00	\$325.00	
Zinfandel	\$330.00	\$550.00	
Other Varieties	\$138.00	\$230.00	
Crush District No. 6			
Cabernet Sauvignon	\$630.00	\$1,050.00	
Carignane	\$180.00	\$300.00	
Chardonnay	\$645.00	\$1,075.00	
Chenin Blanc	\$210.00	\$350.00	
Gewurztraminer	\$330.00	\$550.00	
Grey Riesling	\$135.00	\$225.00	
Mataro	\$555.00	\$925.00	
Merlot	\$645.00	\$1,075.00	
Petite Sirah	\$180.00	\$300.00	
Pinot Noir	\$420.00	\$700.00	
Sauvignon Blanc	\$240.00	\$400.00	
Semillon	\$360.00	\$600.00	
Sylvaner	\$135.00	\$225.00	
White Riesling	\$210.00	\$350.00	
Zinfandel	\$330.00	\$550.00	
Other Varieties	\$105.00	\$175.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 7			
Cabernet Franc	\$480.00	\$800.00	Ton
Cabernet Sauvignon	\$495.00	\$825.00	
Chardonnay	\$630.00	\$1,050.00	
Chenin Blanc	\$210.00	\$350.00	
French Columbard	\$165.00	\$275.00	
Gamay	\$255.00	\$425.00	
Gamay Beaujolais	\$300.00	\$500.00	
Gewurztraminer	\$315.00	\$525.00	
Grey Riesling	\$135.00	\$225.00	
Grenache	\$375.00	\$625.00	
Malvasia Bianca	\$285.00	\$475.00	
Merlot	\$645.00	\$1,075.00	
Muscat Blanc/M Canelli	\$270.00	\$450.00	
Petite Sirah	\$315.00	\$525.00	
Pinot Blanc	\$315.00	\$525.00	
Pinot Noir	\$420.00	\$700.00	
Sauvignon Blanc	\$330.00	\$550.00	
Semillon	\$240.00	\$400.00	
Sylvaner	\$135.00	\$225.00	
White Riesling	\$255.00	\$425.00	
Zinfandel	\$285.00	\$475.00	
Other Varieties	\$90.00	\$150.00	
Crush District No. 8			
Cabernet Franc	\$480.00	\$800.00	
Cabernet Sauvignon	\$465.00	\$775.00	
Chardonnay	\$630.00	\$1,050.00	
Chenin Blanc	\$210.00	\$350.00	
Gamay	\$300.00	\$500.00	
Gamay Beaujolais	\$300.00	\$500.00	
Gewurztraminer	\$300.00	\$500.00	
Merlot	\$660.00	\$1,100.00	
Muscat Blanc/M Canelli	\$270.00	\$450.00	
Petite Sirah	\$315.00	\$525.00	
Pinot Blanc	\$555.00	\$925.00	
Pinot Noir	\$570.00	\$950.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 8			
Sauvignon Blanc	\$315.00	\$525.00	Ton
Semillon	\$210.00	\$350.00	
White Riesling	\$270.00	\$450.00	
Zinfandel	\$285.00	\$475.00	
Other Varieties	\$96.00	\$160.00	
Syrah/French Syrah-Shiraz	\$690.00	\$1,150.00	
Crush District No. 9			
Cabernet Sauvignon	\$330.00	\$550.00	
Chardonnay	\$360.00	\$600.00	
Chenin Blanc	\$120.00	\$200.00	
French Columbard	\$78.00	\$130.00	
Gamay	\$120.00	\$200.00	
Grenache	\$105.00	\$175.00	
Merlot	\$435.00	\$725.00	
Petite Sirah	\$300.00	\$500.00	
Semillon	\$240.00	\$400.00	
White Riesling	\$405.00	\$675.00	
Zinfandel	\$225.00	\$375.00	
Other Varieties	\$78.00	\$130.00	
Crush District No. 10			
Cabernet Franc	\$420.00	\$700.00	
Cabernet Sauvignon	\$435.00	\$725.00	
Chardonnay	\$450.00	\$750.00	
Chenin Blanc	\$180.00	\$300.00	
Merlot	\$645.00	\$1,075.00	
Muscat Blanc/M Canelli	\$285.00	\$475.00	
Sauvignon Blanc	\$225.00	\$375.00	
Semillon	\$240.00	\$400.00	
White Riesling	\$240.00	\$400.00	
Zinfandel	\$315.00	\$525.00	
Other Varieties	\$90.00	\$150.00	
Syrah/French Syrah-Shiraz	\$375.00	\$625.00	
Crush District No. 11			
Alicante-Bourchet	\$150.00	\$250.00	
Barbera	\$210.00	\$350.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
Burger	\$84.00	\$140.00	
GRAPES			
CALIFORNIA			
Crush District No. 11			
Cabernet Franc	\$285.00	\$475.00	Ton
Cabernet Sauvignon	\$345.00	\$575.00	
Carignane	\$165.00	\$275.00	
Chardonnay	\$345.00	\$575.00	
Chenin Blanc	\$138.00	\$230.00	
Tokay Flame	\$75.00	\$125.00	
French Columbard	\$105.00	\$175.00	
Gamay	\$180.00	\$300.00	
Grey Riesling	\$75.00	\$125.00	
Grenache	\$105.00	\$175.00	
Merlot	\$450.00	\$750.00	
Mission	\$105.00	\$175.00	
Palomino/G Chasselas	\$69.00	\$115.00	
Petite Sirah	\$225.00	\$375.00	
Rubired	\$150.00	\$250.00	
Ruby Cabernet	\$120.00	\$200.00	
Sauvignon Blanc	\$225.00	\$375.00	
Semillon	\$186.00	\$310.00	
Thompson Seedless	\$66.00	\$110.00	
White Riesling	\$120.00	\$200.00	
Zinfandel	\$285.00	\$475.00	
Other Varieties	\$60.00	\$100.00	
Symphony	\$150.00	\$250.00	
Crush District No. 12			
Barbera	\$135.00	\$225.00	
Burger	\$84.00	\$140.00	
Cabernet Sauvignon	\$300.00	\$500.00	
Carignane	\$135.00	\$225.00	
Chardonnay	\$345.00	\$575.00	
Chenin Blanc	\$99.00	\$165.00	
Flame Seedless	\$75.00	\$125.00	
Tokay Flame	\$75.00	\$125.00	
French Columbard	\$90.00	\$150.00	
Grey Riesling	\$75.00	\$125.00	
Grenache	\$105.00	\$175.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 12			
Malvasia Bianca	\$105.00	\$175.00	Ton
Merlot	\$405.00	\$675.00	
Mission	\$96.00	\$160.00	
Palomino/G Chasselas	\$66.00	\$110.00	
Petite Sirah	\$150.00	\$250.00	
Pinot Blanc	\$90.00	\$150.00	
Rubired	\$150.00	\$250.00	
Ruby Cabernet	\$150.00	\$250.00	
Sauvignon Blanc	\$180.00	\$300.00	
Semillon	\$180.00	\$300.00	
Thompson Seedless	\$72.00	\$120.00	
Valdepenas	\$120.00	\$200.00	
White Riesling	\$105.00	\$175.00	
Zinfandel	\$225.00	\$375.00	
Other Varieties	\$60.00	\$100.00	
Symphony	\$150.00	\$250.00	
Royalty	\$162.00	\$270.00	
Crush District No. 13			
Alicante-Bourchet	\$102.00	\$170.00	
Barbera	\$135.00	\$225.00	
Burger	\$84.00	\$140.00	
Cabernet Sauvignon	\$240.00	\$400.00	
Carignane	\$108.00	\$180.00	
Carnelian	\$120.00	\$200.00	
Chardonnay	\$270.00	\$450.00	
Chenin Blanc	\$90.00	\$150.00	
Emerald Riesling	\$90.00	\$150.00	
Fiesta	\$90.00	\$150.00	
Flame Seedless	\$69.00	\$115.00	
French Columbard	\$75.00	\$125.00	
Grenache	\$105.00	\$175.00	
White Malaga	\$66.00	\$110.00	
Malvasia Bianca	\$105.00	\$175.00	
Merlot	\$390.00	\$650.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 13			
Mission	\$96.00	\$160.00	Ton
Muscat Blanc/M Canelli	\$135.00	\$225.00	
Muscat	\$120.00	\$200.00	
Palomino/G Chasselas	\$66.00	\$110.00	
Petite Sirah	\$150.00	\$250.00	
Red Malaga	\$51.00	\$85.00	
Rubired	\$162.00	\$270.00	
Ruby Cabernet	\$150.00	\$250.00	
St. Emilion (Ugni Blanc)	\$78.00	\$130.00	
Salvador	\$150.00	\$250.00	
Sauvignon Blanc	\$180.00	\$300.00	
Semillon	\$90.00	\$150.00	
Sultana	\$75.00	\$125.00	
Thompson Seedless	\$72.00	\$120.00	
Valdepenas	\$120.00	\$200.00	
Zinfandel	\$225.00	\$375.00	
Other Varieties	\$51.00	\$85.00	
Symphony	\$120.00	\$200.00	
Royalty	\$162.00	\$270.00	
Crush District No. 14			
Alicante-Bourchet	\$102.00	\$170.00	
Barbera	\$135.00	\$225.00	
Burger	\$84.00	\$140.00	
Cabernet Sauvignon	\$225.00	\$375.00	
Carignane	\$108.00	\$180.00	
Carnelian	\$120.00	\$200.00	
Chardonnay	\$270.00	\$450.00	
Chenin Blanc	\$90.00	\$150.00	
Emerald Riesling	\$90.00	\$150.00	
Fiesta	\$90.00	\$150.00	
Flame Seedless	\$69.00	\$115.00	
French Columbard	\$75.00	\$125.00	
Gamay	\$150.00	\$250.00	
Grenache	\$105.00	\$175.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT</u> <u>PRICE</u>	<u>PRICE</u> <u>ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 14			
White Malaga	\$66.00	\$110.00	Ton
Malvasia Bianca	\$108.00	\$180.00	
Merlot	\$390.00	\$650.00	
Mission	\$96.00	\$160.00	
Muscat Blanc/M Canelli	\$135.00	\$225.00	
Muscat	\$120.00	\$200.00	
Palomino/G Chasselas	\$66.00	\$110.00	
Red Malaga	\$51.00	\$85.00	
Rubired	\$162.00	\$270.00	
Ruby Cabernet	\$150.00	\$250.00	
St. Emilion (Ugni Blanc)	\$78.00	\$130.00	
Salvador	\$150.00	\$250.00	
Sauvignon Blanc	\$180.00	\$300.00	
Semillon	\$72.00	\$120.00	
Thompson Seedless	\$72.00	\$120.00	
Zinfandel	\$225.00	\$375.00	
Other Varieties	\$45.00	\$75.00	
Royalty	\$162.00	\$270.00	
Crush District No. 16			
Cabernet Sauvignon	\$345.00	\$575.00	
Chardonnay	\$435.00	\$725.00	
Chenin Blanc	\$132.00	\$220.00	
Flame Seedless	\$72.00	\$120.00	
Grenache	\$105.00	\$175.00	
Merlot	\$525.00	\$875.00	
Palomino/G Chasselas	\$78.00	\$130.00	
Sauvignon Blanc	\$210.00	\$350.00	
Thompson Seedless	\$75.00	\$125.00	
White Riesling	\$135.00	\$225.00	
Zinfandel	\$270.00	\$450.00	
Other Varieties	\$48.00	\$80.00	
Crush District No. 17			
Cabernet Sauvignon	\$345.00	\$575.00	
Chardonnay	\$360.00	\$600.00	
Chenin Blanc	\$180.00	\$300.00	

INFORMATIONAL MEMORANDUM: R&D-96-043

<u>CROP</u>	<u>CAT PRICE</u>	<u>PRICE ELECTION</u>	<u>UNITS</u>
GRAPES			
CALIFORNIA			
Crush District No. 17			
French Columbard	\$105.00	\$175.00	Ton
Gamay	\$165.00	\$275.00	
Merlot	\$375.00	\$625.00	
Petite Sirah	\$255.00	\$425.00	
Sauvignon Blanc	\$225.00	\$375.00	
Semillon	\$144.00	\$240.00	
Zinfandel	\$255.00	\$425.00	
Other Varieties	\$72.00	\$120.00	
NECTARINES			
Fresh Nectarines	\$2.25	\$3.75	Lug
PEACHES - CALIFORNIA			
Processing Cling Peaches	\$102.00	\$170.00	Ton
Fresh Freestone Peaches	\$1.50	\$2.50	Lug
Processing Freestones	\$90.00	\$150.00	Ton
PLUM-FRESH	\$3.00	\$5.00	Lug
PRUNES	\$510.00	\$850.00	Ton
TABLE GRAPES			
AZ	\$4.98	\$8.30	Lug
CA			
Riverside County	\$5.46	\$9.10	
Other Counties	\$4.20	\$7.00	

INFORMATIONAL MEMORANDUM: R&D-96-043.1

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions) Correction

Informational Memorandum R&D-96-043, issued August 20, 1996, describes an addendum to the October 31 filing Special Provisions. This memorandum adds the price elections for walnuts.

CROP	CAT PRICE	PRICE ELECTION	UNITS
-----	-----	-----	-----
WALNUTS	\$0.36	\$0.60	Pounds



United States
Department of
Agriculture

Farm
Service
Agency

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-044

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum: 1997 Actuarial Table (Special Provisions)

This is an addendum to the 1997 Actuarial Table (Special Provisions) for potato counties with a September 30 contract change date. The following information should be made available no later than 30 days prior to the Sales Closing Date.

Potatoes: Dollars per Hundredweight (cwt)

<u>State</u>	<u>County</u>	<u>Practice</u>	<u>CAT Price</u>	<u>Price Election</u>
Alabama	Baldwin		\$6.36	\$10.60
	DeKalb		\$5.73	\$9.55
	Escambia		\$6.36	\$10.60
	Jackson		\$5.73	\$9.55
	Marshall		\$5.73	\$9.55
	Mobile		\$6.56	\$10.60
Arizona			\$4.35	\$7.25
California	Humbolt		\$3.60	\$6.00
	Kern	Winter Planted	\$6.60	\$11.00
		Summer Planted	\$6.60	\$11.00
	Modoc		\$2.40	\$4.00
	Monterey		\$4.50	\$7.50
	Riverside	Spring Planted	\$7.35	\$12.25
Fall Planted		\$8.40	\$14.00	

Potatoes: Dollars per Hundredweight (cwt)

<u>State</u>	<u>County</u>	<u>Practice</u>	<u>CAT Price</u>	<u>Price Election</u>
California	San Joaquin	Spring Planted	\$4.80	\$8.00
		Fall Planted	\$4.80	\$8.00
	Siskiyou		\$2.40	\$4.00
Florida	Brevard		\$4.20	\$7.00
	Escambia		\$4.20	\$7.00
	Flagler		\$4.20	\$7.00
	Indian River		\$4.20	\$7.00
	Putnam		\$4.20	\$7.00
	St. Johns		\$4.20	\$7.00
	Suwannee		\$4.20	\$7.00
Maryland	Worcester		\$6.90	\$11.50
	Other		\$5.25	\$8.75
Missouri			\$3.33	\$5.55
North Carolina			\$5.16	\$8.60
New Jersey			\$3.75	\$6.25
Texas	Bexar		\$5.70	\$9.50
	Brazoria		\$5.70	\$9.50
	Frio		\$5.70	\$9.50
	Hidalgo		\$5.70	\$9.50
	Knox		\$7.68	\$12.80
	LaSalle		\$5.70	\$9.50
	Medina		\$5.70	\$9.50
	Other		\$7.68	\$12.80
Virginia			\$6.90	\$11.50



United States
Department of
Agriculture

Risk
Management
Agency

Research
and
Development

P.O. Box 419293
Kansas City
Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-044.1

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Acting Deputy Administrator

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

The following 1997 potato price election information was posted to the Actuarial Data Master in August 1996, but inadvertently omitted from Informational Memorandum: R&D-96-044 announcing similar price elections. Please provide the following information to all agents and producers in Delaware as applicable.

Potatoes: Dollars per Hundredweight (cwt)

<u>State</u>	<u>CAT Price</u>	<u>Price Election</u>
Delaware	\$5.25	\$8.75

INFORMATIONAL MEMORANDUM: R&D-96-045

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Texas Citrus Fruit Crop Insurance Provisions

Attached is the Texas Citrus Fruit Crop Provisions. These provisions are effective for the 1998 and succeeding crop years. Following is a brief description of the significant changes to these provisions. Please refer to the provisions for more complete information.

Section 2 allows basic units to be divided into optional units by section, section equivalent or FSA Farm Serial Number; or by non-contiguous land. The previous endorsement allowed unit division by section if each unit was non-contiguous.

Section 3(e) specifies that the yield used to compute the producers' production guarantee will be determined in accordance with Actual Production History (APH) regulations and applicable policy provisions unless previous damage or changes to the grove or trees, require establishment of the yield by another method. In the event of such damage or changes the yield will be based on FCIC's appraisal of the potential of the insured acreage for the crop year. This change will provide the flexibility needed to allow yield determination by appraisals when past production history is not adequate. For the 1998 crop year the yield will be based on the appraisal of the yield potential due to the lingering effects of the 1989 freeze.

Section 3(f) allows for a 1-year lag period for the producer to report citrus production for APH because all of the fruit will not be harvested until after the production reporting date.

Section 5 changed the cancellation and termination dates from November 30 to November 20.

Sections 7(f) and 11(a) add provisions to make citrus sold by direct marketing insurable if allowed by the Special Provisions or by written agreement. The producer must give notice at least 15 days before any production from any unit will be sold by direct marketing.

Section 8 makes citrus interplanted with another perennial crop insurable unless the insurance provider inspects the acreage and determines it does not meet the requirements contained in the producer's policy.

Section 9(a)(1) specifies that insurance coverage begins on November 21 of each crop year, except that for the year of application if the producer's application is received after November 11 but prior to November 21, insurance will attach on the 10th day after the properly completed application is received in the insurance provider's local office, unless the insurance provider inspects the acreage during the 10-day period and determines that it does not meet insurability requirements. Under the current policy if the application is submitted on or before November 30, but the application is not accepted until after November 30, insurance will attach on the 30th day after the producer signs and submits a properly completed application, unless acreage was inspected and determined to be unacceptable.

Section 9(b)(1) specifies that if the producer acquires an insurable share in any insurable acreage after coverage begins, but on or before the acreage reporting date for the crop year, and after an inspection the insurance provider considers the acreage acceptable, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period.

Section 9(b)(2) specifies that if the producer relinquishes an insurable share on any insurable acreage of citrus on or before the acreage reporting date for the crop year, insurance will not be considered to have attached to, and no premium will be due for, such acreage for that crop year unless a transfer form is completed by all affected parties, the insurance provider is notified in writing on or before the acreage reporting date, and the transferee is eligible for crop insurance.

Section 10(a)(8) specifies that failure of the irrigation water supply must be caused by an insured peril that occurs during the insurance period.

Section 10(b)(1) specifies that damage or loss of production due to disease or insect infestation, will not be insurable unless an insured cause of loss prevents the proper application of control measures, causes properly applied control measures to be ineffective, or causes disease or insect infestation for which no effective control mechanism is available.

Section 12(d) Adds a provision to clarify that if individual records of juice content are not available, the average juice content will be obtained from the nearest juice plant if available. If not available, a field appraisal will be made to determine the average juice content.

Section 13 adds provisions for providing insurance coverage by written agreement.

The provision which allowed the contract price to be an applicable price for undamaged citrus fruit if the contract was executed between the producer and buyer before damage occurred was deleted because it allowed a potential for abuse and was seldom used.

INFORMATIONAL MEMORANDUM: R&D-96-046

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/
Director 8/20/96
Research and Development Division

SUBJECT: Issuance of the 1997 FCIC 18100 Catastrophic Risk Protection Handbook

BACKGROUND:

For the 1997 crop year, changes have been made to underwriting, administrative, and Actual Production History (APH) procedures/calculations for the Federal crop insurance program. The Federal Crop Insurance Corporation (FCIC) is transmitting these changes for catastrophic coverage via the 1997 FCIC 18100 Catastrophic Risk Protection Handbook (CAT). The same changes were made, as applicable, to the FCIC 18010 Crop Insurance Handbook (CIH) Handbook, issued July 1996.

Summary of Changes:

Section 4

Removes Highly Erodible Land (HEL) and Wetland Conservation (WC) compliance verification requirements.

Clarifies that insurance cannot be obtained after the crop's sales closing date unless the crop is a substitute crop.

Authorizes removal of acreage from the acreage report that is eligible for a reduced premium rate (short rate) when a short rate is provided by actuarial table.

Clarifies that fall seeded wheat does not have a late planting period.

Section 5

Outlines that program yields for crop insurance purposes will be taken from the Farm Service Agency (FSA)-423.

Authorizes insurance providers to determine approved APH yields for blueberries in Michigan.

Removes the use of cups or caps when the program yield and/or Transitional Yield ("T" Yield) changes by 10 percent or more when "T" yields are used in the approved APH yield calculation.

Implements the use of simple average program yields to determine "T" Yields if more than one FSA farm serial number is contained in a unit.

Pilot county "T" Yield procedures (110 percent "T" Yield) are continued for the 1997 crop year.

Clarifies the acres and production to be used for APH purposes when acreage is bypassed/unharvested.

Updates sugarcane instructions to determine pounds of raw sugar used for APH.

For perennial crop acreage tolerance review purposes, a new inspection is not required if the latest field inspection is not more than 5 years old.

Exhibit 16

Modifies the Producer's Pre-acceptance Worksheet procedures by requiring the insurance provider to obtain the required information, perform an inspection, or deny coverage if the worksheet is not completed in an acceptable manner by the insured.

Clarifies that perennial crop approved APH yields will be calculated using total production and total acres if separate block production is not certified. Updates several examples to more clearly illustrate these requirements.

Adds blueberries in Michigan to the APH instructions.

Exhibit 17

A chart has been added that illustrates FSA rules for skip-row planting patterns.

Exhibit 30

Quality control guidelines removed.

Exhibit 33

Added irrigated practice guidelines for correctly reporting acreage insured under an irrigated practice.

Exhibit 36

Charts have been added to clarify added land/practice/type/variety procedures.

For determined irrigated yields, bases irrigated "T" Yield reference factors on the years of actual yields contained in the reference unit's database.

Exhibits 39-51:

These Exhibits are optional for Insurance Companies that are currently using other FCIC approved forms and procedures.

ACTION:

Attached is the approved 1997 FCIC 18100 Catastrophic Risk Protection Handbook. It is to be used in the administration of catastrophic risk protection coverage policies for the 1997 crop year.

Changes, additions, or corrections to the text are shaded to aid in identifying the changes.

The CAT Handbook will be placed on the Reporting Organization Server in WordPerfect 5.1 and WordPerfect 6.1. An informational memorandum from the Actuarial Branch will announce when it is available. If you do not have access to the Reporting Organization Server, a set of disks containing the CAT Handbook is available in WordPerfect 5.1 or WordPerfect 6.1 upon request. The electronic version of the 1997 FCIC 18010 CIH (released August 8, 1996) has been updated to include the New Producer Pilot County procedure that was approved after the hard copy was distributed. The 1997 CIH slipsheets will be issued in the near future. If you have any questions about the CAT Handbook, please contact the Product Development Branch at (816) 926-7743.

Attachment - will follow in the mail.

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-047

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ 8/22/96
Director
Research and Development Division

SUBJECT: 1997 Canola Expansion Actuarial Materials

BACKGROUND:

The Federal Crop Insurance Corporation (FCIC) received approval to expand the pilot crop insurance program for canola/rapeseed. The pilot program will be an Actual Production History (APH) plan of multiple peril crop insurance (MPCI), offered for the 1997 and 1998 crop years. In addition to the counties originally included in the initial 1995 canola pilot program, the canola and/or rapeseed coverage will be offered in the following states and counties:

GEORGIA	IDAHO	OREGON
Baker Calhoun Early	Latah	Umatilla

The sales closing date for fall planted canola in Georgia is September 30. For Idaho and Oregon the sales closing date for canola and rapeseed for the 1997 crop year only is September 30, 1996. For the 1998 crop year the Idaho and Oregon fall planted canola and rapeseed sales closing date will be August 31.

ACTION:

The canola/rapeseed actuarials for the above counties are available electronically via the Reporting Organization (RO) server. This release includes the FCI-35 Coverage and Rate Tables, Special Provisions of Insurance, and the crop provisions.

If you have any questions about this pilot program, please contact Vondie O'Conner at(816) 926-6343 or by fax at (816) 926-7343.

Attachments - will follow with hard copy.



United States

Farm

Office of

P.O. Box 419293

INFORMATIONAL MEMORANDUM: R&D-048

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1997 Blueberry Expansion Actuarial Materials

BACKGROUND:

The Federal Crop Insurance Corporation (FCIC) received approval to expand the pilot crop insurance program for blueberries. The pilot program will be an Actual Production History (APH) plan of multiple peril crop insurance (MPCI), offered for the 1997 and 1998 crop years. In addition to the counties included in the initial 1995 blueberry pilot program, expanded coverage will be offered in the following state and counties:

MAINE

Hancock
Washington

The sales closing date for blueberries in Maine is November 20.

ACTION:

The blueberry actuarials for the above counties are available electronically via the Reporting Organization (RO) server. This release includes the FCI-35 Coverage and Rate Tables, Special Provisions of Insurance, and the crop provisions.

If you have any questions about this pilot program, please contact Vondie O'Conner at (816) 926-6343 or by fax at (816) 926-7343.

Attachments - Will follow with hard copy.

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-049

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt /s/ 8-23-96
Director
Research and Development Division

SUBJECT: Minimum Plant Count for Irrigated Alfalfa in South Dakota.

BACKGROUND:

Forage production insurance was added to South Dakota beginning with the 1997 crop year. Plant count per square foot is needed to determine acreage insurability.

Following discussions with the forage production specialist at South Dakota State University, nine plants per square foot the first harvest year has been established for South Dakota irrigated alfalfa. This is the same plant population per square foot used in Minnesota and Nebraska.

Using nine alfalfa plants per square foot for the first harvest year will leave an average of four and one-half alfalfa plants per square foot for the third and successive harvest years.

ACTION:

Use the following plant count for South Dakota, irrigated alfalfa for the 1997 crop year in conjunction with Exhibit 6, Paragraph C of FCIC-30150-1 Forage Production Handbook.

Plant-Population-Per-square-Foot-Table

State	: Practice	: Alfalfa : Plants	: Alfalfa/ : Grass	: Grass : Mixtures

South Dakota	: Irrigated (002):	9	:	:
	:	:	:	:

The Forage Production Handbook will be updated to reflect this when reissued or slipsheeted.

INFORMATIONAL MEMORANDUM R&D-96-050

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Extension of the Pilot Program Providing Assigned Yields for New Producers for the 1997 Crop Year

Section 508(h)(8) of the Federal Crop Insurance Reform Act directed the Federal Crop Insurance Corporation (FCIC) to establish a pilot program to provide assigned yields for new producers for the 1995 and 1996 crop years. This pilot program provided an eligible new producer participating in the pilot program with a yield equal to 110 percent of the transitional yield otherwise established by the Corporation. The intent of this provision was to decrease the risk posed by new producers to lenders, thereby making credit more accessible to new producers. FCIC is to report to Congress on the ability of the pilot program to increase credit availability for new producers.

The 1995 data have been collected and the Economic Research Service is to study the extent to which the program met its goals. This study is to be completed by the end of this calendar year and will include the 1996 data.

A decision on whether or not to continue the pilot program for the 1997 crop year has been made. The pilot program will be continued during crop year 1997 for new producers in selected counties to allow the study to be completed and to allow continuity in case the pilot program is extended, expanded, or made permanent.

INFORMATIONAL MEMORANDUM: R&D-96-051

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Arizona-California Citrus Crop Insurance Provisions

Attached is the Arizona-California Citrus Crop Provisions. These provisions are effective for the 1998 and succeeding crop years. Following is a brief description of the significant changes to these provisions. Please refer to the provisions for more complete information.

Section 3(b) specifies that in lieu of reporting citrus production of marketable fresh fruit for the previous crop year as required by the Basic Provisions, there is a lag period of one year. This provision was included because all of the citrus will not be harvested until after the production reporting date.

Section 5 changed the cancellation and termination dates from November 30 to November 20.

Section 6(e) and 10(a) adds provisions to make citrus sold by direct marketing insurable if allowed by the Special Provisions or by written agreement. The producer must give notice at least 15 days before any production from any unit will be sold by direct marketing.

Section 7 makes citrus interplanted with another perennial crop insurable unless the insurance provider inspects the acreage and determines it does not meet the requirements contained in the producer's policy.

Section 8(a)(1) specifies that insurance coverage begins on November 21 of each crop year, except that for the year of application if the producer's application is received after November 11 but prior to November 21, insurance will attach on the 10th day after the properly completed application is received in the insurance provider's local office, unless the insurance provider inspects the acreage during the 10 day period and determines that it does not meet insurability requirements.

Section 8(b)(1) specifies that if the producer acquires an insurable share in any insurable acreage after coverage begins, but on or before the acreage reporting date for the crop year, and after an inspection the insurance provider considers the acreage acceptable, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period.

Section 8(b)(2) specifies that if the producer relinquishes an insurable share on any insurable acreage of citrus on or before the acreage reporting date for the crop year, insurance will not be considered to have attached to, and no premium will be due and no indemnity paid for such acreage for that crop year unless a transfer form is completed by all affected parties, the insurance provider is notified in writing on or before the acreage reporting date, and the transferee is eligible for crop insurance.

Section 9(a)(6) specifies that failure of the irrigation water supply must be caused by an insured peril that occurs during the insurance period.

Section 9b)(1) specifies that damage or loss of production due to disease or insect infestation, will not be insurable unless adverse weather conditions prevents the proper application of control measures, causes properly applied control measures to be ineffective, or causes disease or insect infestation for which no effective control mechanism is available.

Section 12 adds provisions for providing insurance coverage by written agreement.

Attachment - will follow in the mail→

INFORMATIONAL MEMORANDUM: R&D-96-052

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Pima Cotton Rainfall Weather Insurance Policy

The privately developed Pima Cotton Rainfall Weather Insurance Policy, edition dated June 2, 1996, and released to the Reporting Organization (RO) server on July 15, 1996, contained an error. Deductible provisions were inadvertently omitted from this policy.

A corrected Pima Cotton Rainfall Weather Insurance Policy, edition dated February 28, 1996, has been installed on the RO server. The deductible provisions in the corrected policy are referenced in section 8A(6) and 8B(2). All copies of the June 2, 1996, edition of the policy should be destroyed.

INFORMATIONAL MEMORANDUM: R&D-96-052.1

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Pima Cotton Rainfall Weather Insurance Policy - Correction

This memo corrects R&D-96-052 as follows:

Policy edition date changed from June 2, 1996 to June20, 1996

Release date to the RO server changed from July 15, 1996 to July 12, 1996

INFORMATIONAL MEMORANDUM: R&D-96-053

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 7 CFR PART 400 - Subpart T - General Administrative Regulations

Attached is 7 CFR PART 400 - Subpart T - General Administrative Regulations, which conform with the requirements of the Federal Crop Insurance Reform Act of 1994 (Reform Act) and the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act). Any of the provisions in these regulations that have not already been implemented by Manager's Bulletin or procedural update will be implemented for the 1997 crop year for all crops with a contract change date after August 20, 1996, and for the 1998 crop year for all crops with a 1997 crop year contract change date prior to August 20, 1996. Following is a summary of significant changes to these regulations since they were published as interim rule on January 6, 1995. Please refer to the regulation for more complete information.

- Section 400.652(e) refers to consequences if policy provisions are not complied with.
- Section 400.653(a) provides a means for a producer to comply with linkage requirements when the producer plants a crop of economic significance that is not currently insured.
- Section 400.654(c)(4) explains the producer's option when a substitute crop is planted and it is a crop of economic significance.
- Sections 400.654(d) and (e) refers to acreage reporting.
- Section 400.655(d)(2) specifies that a producer may only receive one USDA benefit under CAT coverage.
- Section 400.655(d)(4) provides for CAT coverage under a single policy for a tobacco producer with multiple shareholders.
- Section 400.655(d)(5) provides for CAT coverage for all landowners under a single policy who hold an undivided interest in the insurable acreage.
- Section 400.656 refers to administrative fees: amount of fees; dates they are due; consequences if fees are not paid when due; and the result of a zero acreage report.
- Section 400.657 explains eligibility requirements for emergency crop loss assistance in connection with the crop; eligibility for the Agriculture Market Transition Act benefits, certain farm credit programs, and the Conservation Reserve Program.
- Insurance providers must advise producers of these provisions as applicable.

INFORMATIONAL MEMORANDUM: R&D-96-054

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Catastrophic Risk Protection Endorsement

Attached is the Catastrophic Risk Protection Endorsement, which conforms with the requirements of the Federal Crop Insurance Reform Act of 1994 (Reform Act) and the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act). Any of the provisions in these regulations that have not already been implemented by Manager's Bulletin or procedural update will be implemented for the 1997 crop year for all crops with a contract change date after August 20, 1996, and for the 1998 crop year for all crops with a 1997 crop year contract change date prior to August 20, 1996. Following is a summary of significant changes to this endorsement since it was published as interim rule on January 6, 1995. Please refer to the endorsement for more complete information.

- Section 1 amends the definition of "crop of economic significance."
- Section 5(a) refers to acreage reporting.
- Section 6 refers to administrative fees: amount of fees; dates they are due; consequences if fees are not paid when due; and the result of a zero acreage report.
- Section 7(b) provides for CAT coverage under a single policy for a tobacco producer with multiple shareholders.
- Section 7(c) provides for CAT coverage for all landowners under a single policy who hold an undivided interest in the insurable acreage.
- Section 9(b) specifies that a producer may only receive one USDA benefit under CAT coverage.
- Section 12(a) provides a means for a producer to comply with linkage requirements when the producer plants a crop of economic significance that is not currently insured.
- Section 12(e) explains eligibility requirements for emergency crop loss assistance in connection with the crop; eligibility for the Agriculture Market Transition Act benefits, certain farm credit programs, and the Conservation Reserve Program.
- Section 12(f) refers to consequences if policy provisions are not complied with.

Attachment - will follow in the mail

INFORMATIONAL MEMORANDUM: R&D-96-055

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Addendum to 1997 Actuarial Table -- 1997 Wheat Crop Revenue Coverage
(CRC) - Base Prices and Price Factors

BACKGROUND:

For marketing purposes Research and Development Informational Memorandum R&D-96-038 provided low and high price factor ESTIMATES for CRC-Wheat based upon the Minneapolis Grain Exchange (MGE) and the Portland Grain Exchange (PGE). Final 1997 low and high price factors are now available for the Portland Grain Exchange. Additionally, 1997 CRC Wheat Base prices are now available for the Kansas City Board of Trade, Chicago Board of Trade and the Portland Grain Exchange.

ACTION:

The following are the Federal Crop Insurance Corporation 1997 CRC Wheat APPROVED price factors to update the FCI-35 and base prices to create an addendum to the Special Provisions.

Board of Trade	Crop	Price Factors	
		Low	High
-----	-----	-----	-----
PGE	Wheat	0.345	0.318
		Base Price	

CBOT	Wheat	\$3.79	
KCBOT	Wheat	\$3.98	
PGE	Wheat	\$4.25	

INFORMATIONAL MEMORANDUM: R&D-96-056

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: 1996 Income Protection Price Announcements

The 1996 harvest price for Income Protection - Wheat is \$4.55 per bushel. This harvest price is defined in the Income Protection - Wheat crop provisions to be "the average derived by totaling the final closing daily settlement prices for the current crop year Chicago Board of Trade (CBOT) September wheat futures contract for each trading day of August of the year the crop would normally be harvested, and dividing that total by the number of daily settlement prices."

The Income Protection insurance plan is available for limited and additional coverage only. The IP harvest price is not applicable to traditional MPCCI wheat or catastrophic coverage.

If you have any questions or need additional information, please contact LeWayne Jansonius at (816) 926-3703.

INFORMATIONAL MEMORANDUM: R&D-96-057

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Vondie O'Conner (for)
Director
Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

This is an addendum to the 1997 Actuarial Table (Special Provisions). The following information should be provided to all producers of canola and rapeseed prior to the sales closing date. This price election is also applicable for canola with a December 31 contract change date.

CROP	CAT PRICE	PRICE ELECTION	UNITS
CANOLA	\$0.07	\$0.11	Pounds

INFORMATIONAL MEMORANDUM: R&D-96-058

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ Denise Hoffmann (for)
Director
Research and Development Division

SUBJECT: 1996 Group Risk Plan Preliminary Payments

Please find attached preliminary payment yields and factors for 1996 Group Risk Plan wheat. Preliminary payment yields have also been incorporated into the Actuarial Data Master. These payment yields and factors do not apply to CAT for 1996. For FSA offices, these yields and factors are for informational purposes only. Due to the areas of participation, no preliminary payments will be made.

Attachment (Original will be mailed)

United States
Department of
Agriculture

Farm
Service
Agency

Office
of Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-059

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Update on MGR-96-041 - Transferring Catastrophic Risk Protection Policies

BACKGROUND:

Manager's Bulletin MGR-96-041 provided procedure for transferring catastrophic risk protection (CAT) policies from Farm Service Agency local offices to reinsured companies in States approved by the Secretary. Policies that had not been voluntarily transferred on crops with sales closing dates of December 31, 1996, or earlier were to be assigned to a reinsured company during the week of August 19, 1996. All other policies that were not transferred were to be assigned to a reinsured company during the week of November 18, 1996. Reinsured companies were to be notified of the assignment of the policies by the Federal Crop Insurance Corporation (FCIC) and were to contact the insured within 10 working days of the assignment.

FCIC assigned all of the policies during the week of August 19, 1996, including those that were scheduled to be assigned during the week of November 18, 1996.

ACTION:

Since FCIC assigned all of the remaining CAT policies during the week of August 19, 1996, reinsured companies are not required to contact their assigned CAT policyholders with only sales closing dates after December 31, 1996, within the 10 days as outlined in MGR-96-041. However, companies are encouraged to contact all policyholders as early as possible.

United States Farm Office of P.O. Box 419293
Department of Service Risk Kansas City
Agriculture Agency Management Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-060

TO: All Reinsured Companies
 All Risk Management Field Offices
 FSA Headquarters, Program Delivery
 and Field Operations (Information Only)

FROM: Tim B. Witt /s/ Tim B. Witt 9-9-96
 Director
 Research and Development Division

SUBJECT: Florida Fruit Tree Pilot Program - 1997 Crop Year

The 1997 crop year Florida Fruit Tree actuarial filing is available electronically via the Reporting Organization (RO) server. This release includes the FCI-35 Coverage and Rate Tables, Special Provisions of Insurance, and Premium Calculation Worksheet. The rates, amounts of insurance, and Crop Provisions are unchanged from the 1996 crop year. The Special Provisions General Statements have been revised to clarify the amount of insurance for the catastrophic coverage level. A Florida Fruit Tree Premium Calculation Worksheet has been developed and is included in the filed materials.

If you have any questions about this pilot program, please contact Ken Harrison at (816)-926-6343 or by fax at (816)-926-7343.

Attachments - Hard copy and attachments will be mailed.

INFORMATIONAL MEMORANDUM: R&D-96-061

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Issuance of the 1997 FCIC 24080 Nursery Crop Insurance Underwriting Guide

BACKGROUND:

For the 1997 crop year, changes have been made to the Nursery Crop Insurance Underwriting Guide (NURS). The Federal Crop Insurance Corporation (FCIC) is issuing these changes for limited, additional and Catastrophic Risk Protection (CAT) coverages.

Summary of Changes:

Section 5

* Establishes that Insurance Providers will verify CAT applicants/insureds have records supporting the nursery inventory values used to establish liability.

Section 6

* Simplifies inventory reporting by permitting applicants/insureds to substitute computerized inventory listings or similar FCIC approved documents for the FCI-545, Nursery Container Report.

Sections 8 and 9

* Updates current language used in the Nursery Crop Provisions 96-056 in regard to Insured Plants, Causes of Loss, and Uninsured Causes of Loss.

Section 11

* Outlines a new set of criteria that will trigger Nursery inspections.

Section 13

* Clarifies the premium due dates and when interest will be added to premium past due.

Exhibit 7

* Has been updated with the 1997 Actuarial Tables and includes the Producer Premium Percentage Tables.

Exhibit 8

* Provides the new Nursery Underwriting Inspection Report, FCI-544.

ACTION:

Attached is the approved 1997 FCIC 24080 Nursery Crop Insurance Underwriting Guide. It replaces the Nursery Crop Insurance Guide issued August 11, 1989. If you have any questions about the Guide, please contact the Product Development Branch at (816) 926-7743.

Attachment - Hard copy and attachments will be mailed.

United States Farm
Department of Service
Agriculture Agency

Office of
Risk
Management

P.O. Box 419293
Kansas City
Missouri 64141

INFORMATIONAL MEMORANDUM: R&D-96-062

TO: All Reinsured Companies
 All Risk Management Field Offices
 FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt
 Director
 Research and Development Division

SUBJECT: 1997 Income Protection Price Announcement

The 1997 projected price for Income Protection - Wheat is \$3.96 per bushel. This projected price is defined in the Income Protection - Wheat crop provisions to be "the average derived by totaling the final closing daily settlement prices for the insured crop year Chicago Board of Trade (CBOT) July wheat futures contract for each trading day from August 15 through September 14 prior to the sales closing date, and dividing that total by the number of daily settlement prices."

United States	Farm	Office of	P.O. Box 419293
Department of	Service	Risk	Kansas City
Agriculture	Agency	Management	Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-063

TO: All Reinsured Companies
All Risk Management Agency Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Written Agreements for Pilot Crop Programs

BACKGROUND:

Questions have been raised concerning insurability of acreage via a written agreement in non-pilot crop program counties that are contiguous to approved pilot crop program counties.

ACTION:

Insurance coverage for pilot crop programs is available only in counties approved by the Federal Crop Insurance Corporation's Board of Directors. The pilot county crop program insurance coverage may be extended to land in an adjoining non-pilot county only when such land is part of a field that extends beyond the approved pilot county boundary with no break in the planting pattern.

United States	Farm	Office of	P.O. Box 419293
Department of	Service	Risk	Kansas City
Agriculture	Agency	Management	Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-064

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Director
Research and Development Division

SUBJECT: Farm Service Agency Established Yields for Crop Year 1997

On October 1, 1996, the Farm Service Agency (FSA) issued Catastrophic Risk Management 1-RM (Revision 1) Amendment 7 that informed local FSA offices to provide yields for crop insurance purposes ONLY on the FSA 423 for the 1997 crop year. If a yield is requested either by the producer or the insurance company for a producer that is planting a program crop for the first time, the local FSA office will establish a yield to be used for crop insurance purposes only. This yield will be documented on a letter signed by the County Executive Director. A copy will be provided to the producer/insurance company making the request.

For your information, Catastrophic Risk Management 1-RM (Revision 1) Amendment 7 is attached. See pages 2-59 and 2-60.

Attachment - Original copy and attachment will be mailed.

United States	Farm	Office of	P.O. Box 419293
Department of	Service	Risk	Kansas City
Agriculture	Agency	Management	Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-065

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 10/4/96
Acting Deputy Administrator

SUBJECT: Actuarial Release

BACKGROUND:

Requests have been made to notify customers when actuarial information has been released, and to produce an inventory of the specific county crop programs included in the release so that insurance providers can assure all documents are received.

ACTION:

Listings of county crop programs for the 1997 crop year that are filed under the November 30 and December 31 contract change dates. Please use these listings as a reference to determine the actuarial documents sent to your office. The actuarial materials were released electronically October 2 on the Reporting Organization (RO) Server.

The actuarial materials include all except (0047) dry bean, (0039) sugar beets, (0021) cotton, and (0022) ELS cotton. These crops are being held pending possible revision due to ongoing policy/administrative reviews and regulatory action.

United States	Farm	Office of	P.O. Box 419293
Department of	Service	Risk	Kansas City
Agriculture	Agency	Management	Missouri 64141-6293

INFORMATIONAL MEMORANDUM: R&D-96-066

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 10/4/96
Acting Deputy Administrator

SUBJECT: Prevented Planting Questions and Answers

The following questions and answers have been developed to clarify several prevented planting coverage issues that have recently been raised. Insurance providers should forward this information to their sales agents and claims adjustment personnel.

1. Question - If a tenant requested an increase in acreage eligible for a prevented planting production guarantee prior to the sales closing date and the insurance provider accepted the request, will the landlord also be eligible for the increased amount?

Answer - Yes. The increase can apply to the landlord if the landlord's insurance provider agrees.

2. Question - If land for which the insured has no actual production history (APH) is added after the sales closing date, can a request be submitted to increase eligible acreage above the policy limits?

Answer - No. However, the greater of the base acreage attributable to the added land or the number of acres of the applicable prevented planting crop planted the previous year by the previous owner or operator may be used as the basis for determining eligible prevented planting acreage.

3. Question - Can land obtained after the sales closing date that has no base acreage, no production history, and no acreage planted the previous year qualify for a prevented planting production guarantee?

Answer - The acreage would not be eligible if qualification were based on the added land alone. However, if the insured has eligible acreage from other land within the county, he/she may elect to use those eligible acres on the added land provided it is prevented from being planted. For example, if an insured is eligible for 100 acres of prevented planting coverage for soybeans on the original acreage, he/she may report up to that amount of prevented planting acreage on any of the acreage he/she farms, including the added land. Any acreage planted to soybeans on any farm covered under the insured's policy must be subtracted from eligible prevented planting acreage. Refer to MGR-96-045 for additional information regarding determination of acreage eligible for a prevented planting production guarantee.

4. Question - Can a request in writing for an increase in eligible prevented planting acreage that has been accepted by an insurance provider be transferred to a different entity if acreage is transferred to that entity after the sales closing date?

Answer - No. Approved increases in eligible acreage may not be transferred to another entity except for share arrangements as noted in 1 above.

5. Question - Failed forage production acreage has been appraised and released in the spring of 1996 and the insured intends to plant another crop on the acreage. If the insured is prevented from planting an insured crop on this acreage, is he/she eligible for a prevented planting production guarantee?

Answer - No. Policy provisions indicate that, if another crop fails in the same crop year, a prevented planting production guarantee is not provided unless the acreage has a history of double-cropping. The intent of this provision is to prevent multiple program benefits for the same acreage in the same crop year unless a history of double-cropping can be proven.

6. Question - Is an insured required to report acreage planted after the late planting period, and does the acreage have to be insured?

Answer - If the acreage is claimed as prevented from being planted, and is planted to the insured crop after the late planting period, it is insured acreage and must be reported on the acreage report. If the acreage was not claimed as prevented from being planted, it is not insurable and should be listed as such in the remarks section of the acreage report.

7. Question - Is acreage that has received a prevented planting production guarantee considered when determining the number of insured crop acres planted the previous year, or the simple average of the number of acres planted during the actual production history (APH) base period?

Answer - Yes. Insured crop acreage which had a prevented planting production guarantee in a prior year may be added to the number of acres planted to the insured crop. Prevented planting acreage will be considered when determining maximum eligible acreage by either method indicated in the question. To deny such would create an inequity as liability was established and premium paid the previous year.

8. Question - In some instances a crop is insured under one policy number, is administered under one Farm Service Agency (FSA) Farm Serial Number (FSN), but is located in more than one county. How is the number of eligible prevented planting acres determined in this circumstance?

Answer - Eligible acreage is determined separately for the land in each county. However, since the FSN base acres are combined for the acreage in both counties, the number of base acres for the insured crop must be prorated between each of the counties based on the number of cropland acres in each county. For example, if 60 percent of the cropland in the FSN is located in county A, then 60 percent of the insured crops base acres would be attributed to county A for determining eligible prevented planting acreage.

9. Question - When a crop is prevented from being planted and the insured subsequently plants corn for silage, can the corn for silage be considered to be a cover crop?

Answer - No. If a crop other than corn is prevented from being planted and corn is subsequently planted, the corn would be a substitute crop whether or not it is insurable. If corn is prevented from being planted, and the insured plants corn after the end of the late planting period, a prevented planting guarantee would be established and production to count would be determined in accordance with MGR-96-006*.

*Exception - In a county where the actuarial table provides a premium rate for grain only, a variety of corn adapted for silage use only will be considered a substitute crop when an insured reports that corn for grain is prevented from being planted and then plants a silage use only variety.

10. Question - In some cases, when determining the simple average of the number of acres planted to the insured crop in the crop years certified to determine the average yield, the acreage and production shown on the actual production history (APH) form is duplicated for more than one farm serial number. How is the simple average number of acres determined in these cases?

Answer - Prevented planting policy provisions indicate that only the number of acres planted on the farm serial number will be considered. When the number of acres shown in the actual production history is not reflective of the number of planted acres on the farm, those acres must not be considered when determining the average.

INFORMATIONAL MEMORANDUM: R&D-96-067

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt
Acting Deputy Administrator

SUBJECT: Crop Revenue Coverage (CRC) and FCI-33 Supplement

ISSUE:

The procedure for calculating CRC premium when a County Actuarial Table FCI-33 Supplement applies, is not defined.

ACTION:

The CRC premium calculation procedure for FCI-33 Supplement special rate listings shall be as set forth below:

- 1) Determine the FCI-33 Supplement special base rate (this is the 75 percent coverage level base rate).
- 2) Apply the rate differential to adjust the special base rate to the appropriate coverage level. (This special base rate will replace the MPCCI base rate in all CRC premium calculations).
- 3) Use the CRC rate factor for the coverage level and R-span in which the yield falls.
- 4) All other CRC premium calculations apply.

Note: It must be determined that the legal description or insured is not on the Non Standard Classification System before proceeding.

October 15, 1996

INFORMATIONAL MEMORANDUM: R&D-96-068

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Roberta E. Waggoner (for)
Director
Research and Development Division

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

This is an addendum to the 1997 Actuarial Table (Special Provisions) for counties with a November 30 contract change date. The following information should be provided to all producers for the applicable crops no later than 30 days prior to the Sales Closing Date.

CROP	CAT PRICE	PRICE ELECTION	UNITS
FRESH MARKET TOMATOES			
AR	\$ 2.70	\$ 4.50	Carton
CA	\$ 1.50	\$ 2.50	
FL (Gadson, Holmes, Jackson and Walton Counties)	\$ 1.83	\$ 3.05	
GA	\$ 1.83	\$ 3.05	
MD	\$ 1.92	\$ 3.20	
PA	\$ 1.08	\$ 1.80	
SC	\$ 1.83	\$ 3.05	
VA	\$ 1.92	\$ 3.20	
PEANUTS			
Quota	\$ 0.19	\$ 0.31	Pound
Non-quota	\$ 0.10	\$ 0.16	
RICE	\$ 0.06	\$ 0.09	Pound
SUGARBEETS			
All U.S. Except Imperial Co. Cal.	\$24.00	\$40.00	Ton
TOMATOES-CANNING AND PROCESSING			
California	\$31.80	\$53.00	Ton
Other States	\$40.80	\$68.00	

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-069

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ Roberta Waggoner (for)
Acting Deputy Administrator 10/30/96

SUBJECT: Destruction of Harvested Production Having Zero Value

ISSUE:

Should harvested production with zero value be destroyed prior to finalization of a claim?

DISCUSSION:

There have been requests to clarify whether the Loss Adjustment Manual (LAM) requires destruction of zero-valued harvested production prior to finalization of a claim.

ACTION:

The following provides clarification of how claims involving zero-valued harvested production are to be handled:

- 1 Zero-valued harvested production must be destroyed prior to finalization of the claim.
- 2 A Certification Form is to be used to record the insured's certification that the production has been destroyed and must be received by the insurance provider with such certification prior to the claim being finalized.
- 3 Every effort should be made by the insured and insurance provider to find a market for the production before it is declared zero. Communication through the Risk Management Regional Service Offices and appropriate Multiple Peril Crop Insurance (MPCI) committees is essential to ensure that insurance providers are aware of available markets for damaged production. The following items are to be followed when trying to find a market for the zero-value production:
 - (A) Determine if there are buyers outside of local marketing areas (within a reasonable distance). Transportation costs (in excess of costs to local market) incurred as a result of transporting production outside the insured's normal marketing area in order to obtain a higher value will be considered in determining:

- (1) the value of the damaged production (see the LAM), or
 - (2) for crops using Reduction in Value (RIV), transportation costs will be considered in determining the RIV of the damaged production (see the Special Provisions for the specific crops).
- (B) Determine if the production can be sold directly to cattle or poultry feeding operations (for some crops, there may be other types of buyers, such as manufacturers who use potatoes for starch products).
 - (C) Determine if the damaged production can be conditioned and sold. Conditioning costs will be considered in determining the value of the damaged production; or as applicable, for some crops, the RIV of the damaged production. See the LAM.
 - (D) If a market still cannot be found after the determinations in 3A-C have been made, insurance providers may delay finalization of claims if there is a reasonable probability that there will be a market for the damaged production within the next 2 to 3 weeks. This may happen if the markets have bought enough higher quality grain to enable them to buy the lower quality grain.
 - (E) The insured may offer a value for the production rather than having to destroy the production IF it has been determined that there are no markets or other outlets that will offer a value for the production. A value cannot be accepted for mycotoxin-infected grain that CANNOT be disposed of in a manner that will not exceed advisory levels. See the LAM.
 - (F) Document all determinations made in 3A-E above, including names and locations of marketing outlets, values quoted for the damaged production, any information pertinent to possible conditioning of the damaged production, any allowable transportation costs of the damaged production, etc. If multiple above-zero-values are determined, use the highest obtainable value (after allowable adjustments for conditioning or transportation costs, if applicable).
- 4 Prior to the finalization of the claim, zero-value production must be destroyed in accordance with any applicable Environmental Protection Agency (EPA) regulations (depending on the type of production and/or the type of damage, the EPA may or may not have any specific regulations pertaining to destruction). See the LAM for additional information pertaining to mycotoxin-infected grains.

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-070

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Tim B. Witt
Acting Deputy Administrator

SUBJECT: 1996 Soybean Crop Revenue Coverage Harvest Price
Announcement

The 1996 harvest price for Crop Revenue Coverage (CRC) - Soybeans is \$6.72 per bushel. This harvest market price is defined in the CRC policy to be "ninety-five percent (95%) of the October Average Daily Settlement Price for the Chicago Board of Trade November soybean futures contract." The October average daily settlement price was \$7.0700 per bushel yielding a harvest price of \$6.72 per bushel.

The 1996 spring price of \$6.87 per bushel was released February 29, 1996, based on an average February daily settlement price of \$7.23 per bushel.

INFORMATIONAL MEMORANDUM: R&D-96-071

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/TBW 11/8/96
Acting Deputy Administrator

SUBJECT: Limited Access to Social Security and Employer Identification
Number Data

ISSUE:

Release of insureds' social security numbers (SSN) and employee identification numbers (EIN) for specific purposes appropriate for administering the Federal crop insurance program.

BACKGROUND:

The Risk Management Agency (RMA) has been asked to include SSN's and EIN's in computer files for persons on Nonstandard Classification System (NCS) listings or other producer classification listings and ineligible producer files. This information would be used for identification and coverage determination purposes, and, for the first time, would be provided to reinsured companies and local FSA offices. At present, such SSN/EIN information is not released. With access to this information, reinsured companies and FSA offices can more efficiently and accurately determine those applicants/insureds who are assigned an NCS or producer classification or who are ineligible for insurance.

The Privacy Act statement contained on each form used to collect individual SSN/EIN data states, "The information furnished on this form will be used by Federal agencies, FCIC employees, insurance companies, and contractors who require such information in the performance of their duties. This information may be furnished to: FCIC contract agencies; employees and loss adjusters; reinsured companies; other agencies within the Department of Agriculture" Additionally, the Federal Code of Regulations, 7CFR Sec. 400, Subpart Q (Collection and Storage of Social Security Account Numbers and Employer Identification Numbers) states under 400.406, "The Manager, other officer, or employee of the FCIC or authorized person (as defined in 400.402(e)) may have access to the EIN's and SSN's obtained pursuant to 400.404 only for the purpose of establishing and maintaining a system of records necessary for the effective administration of the FCI Act in accordance with 400.404 of this part. These numbers may be used in administering the FCI Act." 400.404 states in part, "The SSN and EIN will be used by the FCIC, the direct insurance companies, and the reinsured companies in: ... 2) collecting premiums; ... 4) establishing actuarial data on an individual policyholder basis; and 5) determining eligibility for program benefits." 400.408 and 409 describe the unauthorized disclosure of SSN/EIN information and provides penalties for such disclosure.

ACTION:

RMA will provide SSN/EIN's for producers classified under NCS or producer classification listings or who are contained in ineligible producer files. Reinsured companies and FSA offices may download these files solely for purposes of identifying applicant/insureds 1) affected by the Nonstandard Classification System (NCS), 2) contained on ineligible producer files, or 3) for other limited purposes related to the administration of the crop insurance program (e.g., verification of names on FCI-32 listings). Reinsured companies and FSA personnel, however, must adhere to the Privacy Act and 7CFR Part 400, Subpart Q governing access, use, and confidentiality of SSN's and EIN's, and related information. These requirements would preclude reinsured companies and FSA from creating producer listings containing SSN/EIN information to which the general public could obtain access (e.g., FCI-35 (NCS) Supplements). Unauthorized disclosure of SSN/EIN's by any person may subject that person, and the person soliciting the unauthorized disclosure, to civil or criminal sanctions imposed under various Federal statutes, including 26 U.S.C. 7613 5 U.S.C. 552a, and 42 U.S.C.

All personnel who have access to and use this data containing SSN/EIN's must be advised of and aware of the rules pertaining to the use of such information.

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-072

TO: All Reinsured Companies
All Risk Management Agency Field Offices
FSA Headquarters, Program Delivery
& Field Operations - FYI only

FROM: Tim B. Witt /s/ Roberta E. Waggoner (for)
Acting Deputy Administrator

SUBJECT: Group Risk Plan (GRP) Common Policy and Corn, Cotton, Forage
Production, Grain Sorghum, Peanuts, and Soybeans Crop
Provisions for the 1997 Crop Year

Attached are the GRP Common Policy (97102), and the Corn (97141), Cotton (97121), Forage Production (97133), Grain Sorghum (97151), Peanut (97175), and Soybean (97181) GRP Crop Provisions that will become effective for the 1997 and succeeding crop years. Since these have not cleared the Federal Register, GRP remains a pilot program for the 1997 crop year. Please note the following changes:

1. GRP Common Policy

The GRP Common Policy (97102), issued in June 1996, with the GRP Barley and GRP Wheat Crop provisions will also be used with the above listed crops. The preliminary payment has been eliminated. Meetings with focus groups indicated that the preliminary payment was of limited benefit and caused a significant amount of confusion.

2. Corn, Cotton, Forage Production, Grain Sorghum, Peanuts, and Soybeans Crop Provisions

The Program Dates Section has been changed in all Crop Provisions. These changes are the same as the proposed date changes for the APH crop provisions for these crops for the 1998 crop year.

The GRP Common Policy and crop provisions are available on the Reporting Organization Server in WordPerfect 6.0/6.1 format. You can find this file in the /Group_Risk_Plan/ directory as "97grpspg.zip". Any questions on these changes should be directed to the Research and Evaluation Division at (816) 926-6343.

Attachments - NOTE: Hard copy AND attachments will be mailed.

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-073

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 11/26/96
Acting Deputy Administrator

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

This is an addendum to the 1997 Actuarial Table (Special Provisions) for counties with a November 30 contract change date. The following information should be provided to all producers for the applicable crops no later than 30 days prior to the Sales Closing Date. Approval of upland cotton and ELS cotton price elections is pending and will be announced in a later informational memorandum.

CROP	: CAT	: PRICE	:
	: PRICE	: ELECTION	: UNITS

CORN			
Grain*	\$2.45		Bushel
Silage*	16.70		Ton
FRESH MARKET TOMATOES			
AL	\$1.83	\$3.05	
AR	\$2.70	\$4.50	Carton
CA	\$1.50	\$2.50	
FL "Gadsden, Holmes, Jackson, and Walton Counties"	\$1.83	\$3.05	
GA	\$1.83	\$3.05	
SC	\$1.83	\$3.05	
GRAIN SORGHUM*		\$2.30	Bushel
PEANUTS			
Quota	\$0.19	\$0.31	Pound
Non-quota	\$0.10	\$0.16	
RICE	\$0.06	\$0.09	Pound

SOYBEANS*		\$5.80	Bushel
SUGARBEETS			
All California counties			
Except Imperial Co.	\$24.00	\$40.00	Ton
SUNFLOWERS			
Oil	\$0.07	\$0.11	Pound
Non-Oil	\$0.08	\$0.13	
TOMATOES-CANNING AND PROCESSING			
California	\$31.80	\$53.00	Ton

*These are the established price elections, the market price elections will be announced in late December 1996. CAT price is based on the market price election and will be announced prior to December 31, 1996.

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-074

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 12/2/96
Acting Deputy Administrator

SUBJECT: Texas Citrus Fruit Crop Provisions 98-049 (Rev. 11-96)

Attached are the Texas Citrus Fruit Crop Provisions that were revised November 1996. These provisions are effective for the 1998 and succeeding crop years. Section 10(a)(8) was revised to read "Failure of the irrigation water supply if caused by an insured peril or drought that occurs during the insurance period."

Attachment - NOTE: ENTIRE DOCUMENT WITH ATTACHMENT WILL BE MAILED

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-075

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 12/2/96
Acting Deputy Administrator
Research and Development

SUBJECT: Pear Crop Insurance Provisions

Attached are the Pear Crop Provisions, effective for the 1998 and succeeding crop years. The following is a brief description of the significant changes to these provisions. Please refer to the provisions for more complete information.

- Section 2 allows basic units to be divided into optional units by section, section equivalent or FSA Farm Serial Number; or by non- contiguous land, but not by both. Optional units may also be established by varietal group when provided for in the Special Provisions. The previous endorsement allowed units to be established by: type I or type II; and when the acreage of the insured pears was located on non-contiguous land. All references to type I and type II have been deleted from the policy.

- Section 3(b) specifies that the producer must report by the production reporting date any damage, removal of trees, change in practices, or any other circumstance that may reduce the expected yield below the yield upon which the insurance guarantee is based, and the number of affected acres. For the first year of insurance for acreage interplanted with another perennial crop, and anytime the planting pattern of such acreage is changed the producer must also report the age of the interplanted crop, type if applicable, planting pattern, and any other information that the insurance provider requests in order to establish the approved yield.

- Section 4 changes the contract change date in California from August 31 to October 31 to be consistent with other perennial crops in California.

- Section 5 changes the cancellation and termination dates in California from November 20 to January 31 to be consistent with other perennial crops in California.

- Section 6(c) specifies that to be insurable the pears must be grown on trees that have produced an average of at least 5 tons per acre, in at least 1 of the 4 previous crop years unless the Special Provisions or a written agreement set a lower threshold.

- Section 7 makes pears interplanted with another perennial crop insurable unless the insurance

provider inspects the acreage and determines it does not meet the requirements contained in the producer's policy.

- Section 8(a)(1)(i) specifies that in California insurance coverage begins on February 1 of each crop year, except that for the year of application if the producer's application is received after January 22 but prior to February 1, insurance will attach on the tenth day after the properly completed application is received in the insurance provider's local office, unless the insurance provider inspects the acreage during the 10-day period and determines that it does not meet insurability requirements. Under the current policy, insurance attaches on November 21.
- Section 8(a)(1)(ii) specifies that in all other states, except California, insurance coverage begins on November 21 of each crop year, except that for the year of application if the producer's application is received after November 11 but prior to November 21, insurance will attach on the tenth day after the properly completed application is received in the insurance provider's local office, unless the insurance provider inspects the acreage during the 10-day period and determines that it does not meet insurability requirements. Under the current policy, insurance attaches on November 21.
- Section 8(b)(1) specifies that if the producer acquires an insurable share in any insurable acreage after coverage begins but on or before the acreage reporting date for the crop year, and after an inspection the insurance provider considers the acreage acceptable, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period.
- Section 8(b)(2) specifies that if the producer relinquishes an insurable interest on any insurable acreage of pears on or before the acreage reporting date of any crop year, insurance will not be considered to have attached to, and no premium will be due, and no indemnity paid, for such acreage for that crop year unless: a transfer form is completed by all affected parties; the insurance provider is notified in writing of such transfer on or before the acreage reporting date; and the transferee is eligible for crop insurance.
- Section 9(a)(1) added adverse weather conditions as a cause of loss and deleted drought, excess wind, flood, freeze, frost, fruit-set failure and hail.
- Section 9(a)(5) specifies that failure of the irrigation water supply must be caused by an insured peril that occurs during the insurance period.
- Section 9(b)(1) specifies that damage or loss of production due to disease or insect infestation, will not be insurable unless adverse weather prevents: the proper application of control measures; causes properly applied control measures to be ineffective; or causes disease or insect infestation for which no effective control mechanism is available.
- Section 10 specifies that the producer must notify the insurance provider: within 3 days of the date harvest should have started if the crop will not be harvested; at least 15 days before any production from any unit will be sold by direct marketing; and at least 15 days prior to the beginning of harvest if the producer previously gave notice in accordance with section 14 of the Basic Provisions.
- Section 11 deletes provisions for quality adjustment of pears in all States, except California.

- Section 12 adds provisions for providing insurance coverage by written agreement.

- Section 13 provides for a quality adjustment endorsement for all States, except California, if the actuarial table designates a premium rate and if the insured meets the following: has not elected to insure pears under the Catastrophic Risk Protection Endorsement; elected the Pear Quality Adjustment Endorsement on the application on or before the sales closing date for the initial crop year for which the producer wanted it to be effective; and the policy was not canceled on or before the cancellation date. Under this endorsement if the pear production is damaged by hail and if 11 percent or more of the harvested and appraised production does not grade at least U.S. No. 2 in accordance with applicable United States standards due solely to hail, the amount of production to count will be reduced as follows: by 2 percent for each full 1 percent in excess of 10 percent when 11 percent through 60 percent of the pears fail the grade standard; or by 100 percent when more than 60 percent of the pears fail the grade standard. The difference between the reduced production and the total production will be considered as cull production. Pears that are knocked to the ground by wind or that are frozen and cannot be packed or marketed as fresh pears will be considered 100 percent cull production. Fifteen percent of all production considered as cull production will be production to count.

Attachment - NOTE: ENTIRE BULLETIN WITH ATTACHMENT WILL BE MAILED

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-076

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 12/2/96
Acting Deputy Administrator

SUBJECT: 1996 Crop Revenue Coverage and Income Protection Price Announcements

The 1996 Harvest Market Price for Crop Revenue Coverage (CRC) Corn is \$2.55 per bushel. This harvest market price is defined in the CRC Corn Crop Provisions to be "ninety-five percent (95%) of the November Average Daily Settlement Price for corn to be delivered during the month of December of the then current crop year."

The 1996 Harvest Price for Income Protection (IP) Corn is \$2.68 per bushel. This harvest price is defined in the IP Corn Crop Provisions to be ". . . the average derived by totaling the final closing daily settlement prices for the current year Chicago Board of Trade (CBOT) December corn futures contract for each trading day of November of the current year, and dividing that total by the number of daily settlement prices."

The 1996 Harvest Price for (IP) Cotton is \$0.72 per pound. This harvest price is defined in the IP Cotton Crop Provisions to be ". . . the average derived by totaling the final closing daily settlement prices for the current year New York Cotton Exchange December cotton futures contract for each trading day of November of the current year, and dividing that total by the number of daily settlement prices."

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-077

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt
Acting Deputy Administrator

SUBJECT: 1996 Group Risk Plan Preliminary Payments

Please find attached preliminary payment yields and factors for 1996 Group Risk Plan corn, grain sorghum, peanuts, and soybeans. These payment yields and factors do not apply to CAT for 1996. For FSA offices, these yields and factors are for informational purposes only. Due to the areas of participation, no preliminary payments will be made on grain sorghum or peanuts.

Attachment - NOTE: ENTIRE BULLETIN WITH ATTACHMENTS WILL BE MAILED

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-078

TO: All Reinsured Companies
All Risk Management Agency Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ ROBERTA E. WAGGONER (for) 12/03/96
Acting Deputy Administrator

SUBJECT: Issuance of the New Program Development Handbook (FCIC-23010)

BACKGROUND:

The New Crop Program Development Handbook (FCIC-23010) has been updated to incorporate the following major changes effective immediately.

1. The handbook title has been revised to "New Program Development Handbook."
2. Organizational titles have been revised to be consistent with the Risk Management Agency's (RMA) organizational structure.
3. RMA's expansion mission has been added in a new section titled "Expansion Mission." Background information on Federal Crop Insurance Act language regarding expansion has been included in this new section.
4. Information has been added to address the following components of the new program development process.
 - A. New Program Development Team
 - B. New Program Package
 - C. New Program Review Council
 - D. Program Models
 - E. Project Managers
 - F. Project Proposals
 - G. Research and Evaluation Division Liaison

5. The economic thresholds in Section 5 are now identified as expansion prioritization considerations rather than mandatory levels for expansion consideration.
6. The "Implementation" section has been renamed "Implementation Parameters, Goals, and Activities," and includes a subsection identifying new program implementation activities.
7. A new section titled "Maintenance of the Pilot Program" has been added to identify the activities involved in maintaining pilot programs.
8. A new section titled "New Program Review Council" has been added to identify the New Program Review Council's purpose and membership and to describe the New Program Packages which are submitted to the Council.
9. An exhibit has been added to describe Project Proposals that are submitted to FCIC Board of Directors for approval.
10. Information has been added in Section 3 regarding the research reports and executive summaries for new and specialty crops, as well as access to them through the RMA's Internet home page at the Web site location <http://www.acts.fcic.usda.gov>.
11. The data requirements in Sections 6 through 9 have been rearranged somewhat to avoid duplication and facilitate their use. The Summary of New Program Development Data Requirements (FCIC-23020) is referred to in Section 3J.
12. A Task Worksheet and Project Timeline (Exhibits 1 and 2) have replaced the previous

Project Management Framework.

13. Expansion criteria for existing pilot programs have been included as Exhibit 3.
14. The previous Section 10, "Analysis and Results," is now Exhibit 4, "Objective Measurement of Risk."
15. The County Loss Simulation examples and Regional Service Office points of contact have been removed from the handbook. As a result, the electronic document is now approximately one-eighth the size of the previous document.

ACTION:

Replace the New Crop Program Development Handbook (FCIC-23010) dated September 8, 1994, with the attached New Program Development Handbook (FCIC-23010), dated November 21, 1996. This handbook and the Summary of New Program Development Data Requirements are available through the Research and Evaluation Division's Internet home page at the Web Site location <http://www.act.fcic.usda.gov/research>. If you have any questions about either of these directives, please contact the Research and Evaluation Division at (816) 926-6343.

Attachment NOTE: ENTIRE BULLETIN WITH ATTACHMENT WILL BE MAILED

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-079

TO: All Reinsured Companies
All Risk Management Agency Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /S/ ROBERTA WAGGONER (for) 12/03/96
Acting Deputy Administrator

SUBJECT: Issuance of the Summary of New Program Development Data
Requirements (FCIC-23020)

BACKGROUND:

The Summary of New Crop Program Development Data Requirements has been updated to incorporate the following major changes effective immediately.

1. The title has been revised to "Summary of New Program Development Data Requirements."
2. Organizational titles have been revised to be consistent with the Risk Management Agency's (RMA) organizational structure.
3. The purpose has been expanded to clarify the use of the summary by requesters of new programs and to reference the more detailed New Program Development Handbook.
4. The importance of providing maximum usable data for program development has been given greater emphasis.
5. The economic thresholds are now identified as expansion prioritization considerations rather than mandatory levels for expansion consideration.
6. The data requirements in Section 2 have been rearranged somewhat to avoid duplication and facilitate their use.
7. The "Risk Profile and Analysis" section has been expanded to include the insurance experience of other programs in the area (determined by RMA), and the potential impact of the proposed program on other producers.
8. Greater detail has been added to clarify some of the data requirements.

ACTION:

Replace the Summary of New Crop Program Development Data Requirements (no directive number) with the attached Summary of New Program Development Data Requirements (FCIC-23020), dated November 21, 1996. This directive and the New Program Development Handbook (FCIC-23010) are available through the Research and Evaluation Division's Internet home page at the Web Site location <http://www.act.fcic.usda.gov/research>. If you have any questions about either of these directives, please contact the Research and Evaluation Division at (816) 926-6343.

Attachment NOTE: ENTIRE BULLETIN WITH ATTACHMENT WILL BE MAILED

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-080

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery and Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 12/12/96
Acting Deputy Administrator

SUBJECT: Sugar Beet Crop Insurance Provisions

Attached is a copy of the Sugar Beet Crop Provisions, effective for the 1997 and succeeding crop years in all States except Arizona and California, and for 1998 and succeeding crop years in Arizona and California. Following is a brief description of the significant changes to these provisions. Please refer to the provisions for more complete information.

- Section 1 clarifies that the definition of "county" (contained in the Basic Provisions of the Common Crop Insurance Policy) no longer will include land identified by an FSA Farm Serial Number for the county but that is physically located in another county. Such land will be insured using the actuarial materials for the county in which it is physically located.
- Section 2 provides unit division provisions that have been expanded to include the insured's reporting responsibilities to qualify for optional units and the breakdown of units by irrigated and non- irrigated acreage.
- Section 5 specifies that the cancellation and termination dates are changed from April 15 to March 15 for all States except California and Arizona. The cancellation and termination dates have been changed from March 31 to February 28 for Lassen, Modoc, Shasta, and Siskiyou Counties, California. The cancellation date has been changed from March 31 to July 15 for all remaining California counties. The termination date for these California counties has been changed to November 30 immediately following the last final planting date for the crop year. The changes (except California counties with a July 15 cancellation date) are intended to minimize program vulnerabilities that may exist under current program dates by reducing the chances that insureds may be able to anticipate below normal yields and to implement amendments to the Federal Crop Insurance Act made by the Federal Crop Insurance Reform Act of 1994. The change to July 15 in the California counties specified above is made to allow FCIC to return to the use of a single final planting date in counties where sugar beets are planted year round. Changes in planting times in these counties made establishment of multiple final planting dates extremely difficult to administer.
- Section 6 specifies that the premium is based on the final stage production guarantee.
- Section 7(b) specifies insurance eligibility requirements for sugar beet producers who are also the processing company.

- Section 8(a)(2) provides that acreage is uninsurable in any crop year following the discovery of rhizomania unless insurance is allowed by the Special Provisions or by written agreement.
- Section 8(b) clarifies that any acreage damaged prior to the final planting date must be replanted unless replanting is not practical. This provision applies to all counties with an established final planting date.
- Section 8(c) specifies that any acreage damaged within 30 days of the initial planting must be replanted unless replanting is not practical. This provision applies to all counties that do not have an established final planting date.
- Section 9(a)(2) specifies that the end of the insurance period is the last day of the 12th month after the crop initially was planted in all California counties except Imperial, Lassen, Modoc, Shasta, and Siskiyou.
- Section 9(a)(3) specifies that the end of the insurance period for Lassen, Modoc, Shasta and Siskiyou Counties, California, and Klamath County, Oregon, is October 31.
- Section 10(c) and (d) specifies that damage or loss of production due to disease or insect infestation will not be insurable unless an insured cause of loss prevents the proper application of control measures.
- Section 10(h) specifies that failure of the irrigation water supply must be caused by an insured peril that occurs during the insurance period.
- Section 11(b) specifies that the maximum amount of a replanting payment will be the lesser of 10 percent of the final stage guarantee or 1 ton, multiplied by the price election and the share.
- Section 13 clarifies the calculations used to settle a claim.
- Section 14 grants protection for acreage planted within 25 days after the final planting date, and for acreage that cannot be planted due to any insurable cause of loss. If the insured is prevented from planting by the final planting date, or intends to plant within the late planting period and is prevented from doing so, insurance protection is provided at a specified percent of the production guarantee for timely planted acreage. Reductions are made to recognize increasingly lower yield potential as planting is delayed. Late and prevented planting coverages are not available in any California counties except Imperial, Lassen, Modoc, Shasta, and Siskiyou. Year round planting in these counties precludes the use of current prevented planting provisions.
- Section 15 adds provisions for providing insurance coverage by written agreement.

If you have any questions, please contact Dave Clauser at 926-7730.

Attachment - NOTE: ENTIRE BULLETIN WITH ATTACHMENTS WILL BE MAILED

**United States
Department of
Agriculture**

**Risk
Management
Agency**

**Research
and
Development**

**P.O. Box 419293
Kansas City
Missouri 64141-6293**

INFORMATIONAL MEMORANDUM: R&D-96-081

TO: All Reinsured Companies
All Risk Management Field Offices
FSA Headquarters, Program Delivery & Field Operations

FROM: Tim B. Witt /s/ Tim B. Witt 12/24/96
Acting Deputy Administrator

SUBJECT: Addendum - 1997 Actuarial Table (Special Provisions)

Attached is an addendum to the 1997 Actuarial Table (Special Provisions) for counties with a December 31 contract change date. The following information should be provided to all producers for the applicable crops no later than 30 days prior to the sales closing date.

Attachment

CROP	PRICE	CAT ELECTION	PRICE UNITS
BARLEY			
Feed			
Established Price	\$1.38	\$2.30	Bushel
Market Price	\$1.38	\$2.30	
Malt Option		\$0.50	
CANNING BEANS			
DE			
Snap Beans	\$84.00	\$140.00	Ton
Lima Beans	\$180.00	\$300.00	
IA			
Snap Beans	\$66.00	\$110.00	
ID			
Snap Beans (Contract Price)	60.0%	100.0%	
Lima Beans (Contract Price)	60.0%	100.0%	
IL			
Snap Beans	\$84.00	\$140.00	
Lima Beans	\$180.00	\$300.00	
IN			
Snap Beans	\$72.00	\$120.00	
Lima Beans	\$180.00	\$300.00	
MD			
Snap Beans	\$84.00	\$140.00	
Lima Beans	\$180.00	\$300.00	
MI			
Snap Beans	\$66.00	\$110.00	
MN			
Snap Beans	\$66.00	\$110.00	
Lima Beans	\$180.00	\$300.00	
NJ			
Snap Beans	\$105.00	\$175.00	
Lima Beans	\$240.00	\$400.00	
NY			
Snap Beans	\$84.00	\$140.00	
OR			
Malheur County			
Lima Beans (Contract Price)	60.0%	100.0%	
All Other Counties			
Snap Beans	\$111.00	\$185.00	
Lima Beans	\$225.00	\$375.00	

CROP	PRICE	CAT ELECTION	PRICE UNITS
PA			
Snap Beans	\$84.00	\$140.00	
Lima Beans	\$180.00	\$300.00	
TN			
Snap Beans	\$87.00	\$145.00	
TX			
Snap Beans	\$66.00	\$110.00	
UT			
Snap Beans (Contract Price)	60.0%	100.0%	
VA			
Snap Beans	\$84.00	\$140.00	
Lima Beans	\$180.00	\$300.00	
WA			
Snap Beans	\$111.00	\$185.00	
Lima Beans	\$225.00	\$375.00	
WI			
Snap Beans	\$66.00	\$110.00	
Lima Beans	\$180.00	\$300.00	
CANOLA	\$0.07	\$0.11	Pound
CORN			
Grain			
Established Price	\$1.47	\$2.45	Bushel
Market Price	To be announced		
Silage			
Established Price	\$10.02	\$16.70	Ton
Market Price	To be announced		
COTTON EX LONG STAPLE	\$0.69	\$1.15	Pound
COTTON-UPLAND			
Southeast Region - AL, FL, GA, NC, SC, and East TN	\$0.41	\$0.67	Pound
North Delta - AR, MO, West TN , and North MS	\$0.41	\$0.67	
South Delta - LA, South MS	\$0.41	\$0.67	
East Texas and Oklahoma	\$0.39	\$0.65	
West Texas	\$0.39	\$0.65	
Desert Southwest - Southwest TX, West NM, and AZ, Southern CA	\$0.41	\$0.68	
San Joaquin Valley - North & Central CA	\$0.42	\$0.70	
		CAT	PRICE
CROP	PRICE	ELECTION	UNITS

DRY PEAS			
Green	\$0.06	\$0.10	Pound
Dry Wrinkled Seed (Contract Price)	60.0%	100.0%	
Lentils	\$0.11	\$0.17	
FLAX	\$3.12	\$5.20	Bushel
FRESH MARKET TOMATOES			
MD	\$1.92	\$3.20	Carton
PA	\$1.08	\$1.80	
VA	\$1.92	\$3.20	
GRAIN SORGHUM			
Established Price	\$1.38	\$2.30	Bushel
Market Price	To be announced		
GREEN PEAS (Contract Price)	60.0%	100.0%	
HYBRID CORN SEED			
Established Price	\$1.47	\$2.45	Bushel
Market Price	To be announced		
HYBRID SORGHUM SEED			
Established Price	\$1.47	\$2.45	Bushel
Market Price	To be announced		
MILLET	\$3.39	\$5.65	Cwt
OATS			
Established Price	\$0.96	\$1.60	Bushel
Market Price	\$0.96	\$1.60	
ONIONS			
CO			
Reds	\$3.84	\$6.40	Cwt
Whites	\$3.42	\$5.70	
Yellows	\$2.28	\$3.80	
ID			
Reds	\$2.67	\$4.45	
Whites	\$2.25	\$3.75	
Yellows	\$1.65	\$2.75	
MI - All	\$2.46	\$4.10	

CROP	PRICE	CAT ELECTION	PRICE UNITS
------	-------	-----------------	----------------

NY			
Reds and Whites	\$8.10	\$13.50	
Yellows	\$5.10	\$8.50	
OR			
Reds	\$2.67	\$4.45	
Whites	\$2.25	\$3.75	
Yellows	\$1.65	\$2.75	
UT - All	\$1.95	\$3.25	
WA			
Reds	\$2.67	\$4.45	
Whites	\$2.25	\$3.75	
Yellows	\$1.65	\$2.75	
PEANUTS			
Quota	\$0.19	\$0.31	Pound
Non-quota	\$0.10	\$0.16	
POPCORN	\$0.08	\$0.12	Pound
POTATOES			
AK	\$9.00	\$15.00	Cwt
CO			
Adams, Morgan, Washington, and Weld Counties	\$2.94	\$4.90	
Yuma County	\$3.18	\$5.30	
Other counties	\$2.40	\$4.00	
CT	\$3.24	\$5.40	
IA	\$2.82	\$4.70	
ID	\$2.70	\$4.50	
IN	\$3.15	\$5.25	
MA	\$3.24	\$5.40	
ME	\$3.24	\$5.40	
MI	\$3.39	\$5.65	
MN	\$2.61	\$4.35	
MT	\$4.74	\$7.90	
ND	\$2.52	\$4.20	
NE	\$3.18	\$5.30	
NM	\$3.18	\$5.30	
NV	\$3.42	\$5.70	
NY	\$3.90	\$6.50	
OH	\$3.36	\$5.60	

CROP	PRICE	CAT ELECTION	PRICE UNITS
------	-------	-----------------	----------------

OK	\$3.18	\$5.30	
OR	\$2.70	\$4.50	
PA	\$3.72	\$6.20	
RI	\$3.24	\$5.40	
SD	\$2.34	\$3.90	
UT	\$2.55	\$4.25	
WA	\$2.70	\$4.50	
WI	\$2.94	\$4.90	
WY	\$3.45	\$5.75	
RICE	\$0.06	\$0.09	Pound
SAFFLOWER			
ID	\$0.09	\$0.14	Pound
MT	\$0.08	\$0.12	
ND	\$0.08	\$0.12	
SD	\$0.08	\$0.12	
UT	\$0.09	\$0.14	
SOYBEANS			
Established Price	\$3.48	\$5.80	Bushel
Market Price	To be announced		
SUGAR BEETS	\$24.00	\$40.00	Ton
SUNFLOWERS			
Oil Type	\$0.07	\$0.11	Pound
Non-oil Type	\$0.08	\$0.13	
SWEET CORN-CANNING & PROCESSING			
DE	\$39.00	\$65.00	Ton
IA	\$33.00	\$55.00	
ID	\$36.00	\$60.00	
IL	\$39.00	\$65.00	
MD	\$39.00	\$65.00	
MI	\$36.00	\$60.00	
MN	\$33.00	\$55.00	
NY	\$36.00	\$60.00	
OH	\$36.00	\$60.00	
OR	\$42.00	\$70.00	
PA	\$24.00	\$40.00	
VA	\$36.00	\$60.00	
WA	\$42.00	\$70.00	

CROP	PRICE	CAT ELECTION	PRICE UNITS
WI	\$33.00	\$55.00	

FLUE CURED TOBACCO			
Types 11, 12, 13, 14, 111, 2	\$1.07	\$1.77	Pound
FIRE CURED TOBACCO			
Type 21	\$0.99	\$1.64	Pound
Types 22, 23	\$1.34	\$2.23	
MARYLAND TOBACCO			
Type 32			
MD	\$1.02	\$1.70	Pound
PA	\$0.84	\$1.40	
DARK AIR TOBACCO			
Types 35, 36	\$1.07	\$1.78	Pound
Type 37	\$0.93	\$1.55	
CIGAR FILLER TOBACCO			
Type 41	\$0.93	\$1.55	Pound
CIGAR BINDER TOBACCO			
Types 51, 52	\$2.46	\$4.10	Pound
Types 54, 55	\$0.93	\$1.55	
CIGAR WRAPPER TOBACCO			
Type 61	\$11.10	\$18.50	Pound
TOMATOES-CANNING AND PROCESSING			
CA	\$31.80	\$53.00	Ton
Other States	\$40.80	\$68.00	
WHEAT			
All Other Wheat			
Established Price	\$2.31	\$3.85	Bushel
Market Price	\$2.31	\$3.85	
Durum	\$2.31	\$3.85	