# Federal Crop Insurance Corporation, USDA

- (v) Potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:
- (A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count): or
- (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and
- (2) Harvested production that you deliver as commercial hybrid sorghum seed to the seed company stated in your hybrid sorghum seed processor contract, regardless of quality, unless the production has inadequate germination.
- (e) Production to be counted as non-seed production will include all harvested or mature appraised production that does not qualify as seed production to count as specified in section 12(d). Any such production may be adjusted in accordance with section 12(f).
- (f) For the purpose of determining the quantity of mature production:
- (1) Commercial hybrid sorghum seed production will be:
- (i) Increased 0.12 percent for each 0.1 percentage point of moisture below 13.0 percent; or
- (ii) Decreased 0.12 percent for each 0.1 percentage point of moisture in excess of 13.0 percent.
- (2) When records of commercial hybrid sorghum seed production provided by the seed company have been adjusted to a basis of 13.0 percent moisture and 56 pound avoirdupois bushels, section 12(f)(1) above will not apply to harvested production. In such cases, records of the seed company will be used to determine the amount of production to count, provided that the moisture and weight of such production are calculated on the same basis as that used to determine the approved yield.

#### 13. Prevented Planting

Your prevented planting coverage will be 60 percent of your amount of insurance for timely planted acreage. If you have limited or additional levels of coverage as specified in 7 CFR part 400, subpart T, and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents

[62 FR 65318, Dec. 12, 1997]

# § 457.113 Coarse grains crop insurance provisions.

The coarse grains crop insurance provisions for the 2011 and succeeding crop years are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

Coarse Grains Crop Provisions

#### 1. Definitions

Coarse grains— Corn, grain sorghum, and soybeans.

Grain sorghum— The crop defined as sorghum under the United States Grain Standards Act.

Harvest— Combining, threshing, or picking the insured crop for grain, or cutting for hay, silage, or fodder.

Local market price— The cash grain price per bushel for the U.S. No. 2 yellow corn, U.S. No. 2 grain sorghum, or U.S. No. 1 soybeans, offered by buyers in the area in which you normally market the insured crop. The local market price will reflect the maximum limits of quality deficiencies allowable for the U.S. No. 2 grade for yellow corn and grain sorghum, or U.S. No. 1 grade for soybeans. Factors not associated with grading under the Official United States Standards for Grain, including but not limited to protein and oil, will not be considered.

Planted acreage. In addition to the definition contained in the Basic Provisions, coarse grains must initially be planted in rows, unless otherwise provided by the Special Provisions, actuarial documents, or by written agreement.

Production guarantee (per acre). In lieu of the definition contained in the Basic Provisions, the number of bushels (tons for corn insured as silage) determined by multiplying the approved yield per acre by the coverage level percentage you elect.

Silage— A product that results from severing the plant from the land and chopping it for the purpose of livestock feed.

 ${\it Ton}$ — Two thousand (2000) pounds avoirdupois.

## 7 CFR Ch. IV (1-1-11 Edition)

#### §457.113

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

In addition to the requirements of section 3 of the Basic Provisions, you must elect to insure your corn, grain sorghum, or soybeans with either revenue protection or yield protection by the sales closing date.

#### 3. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is November 30 preceding the cancellation date.

4. Cancellation and Termination Dates

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

State and county	Cancellation and termination dates
(a) For corn and grain sorghum:	
Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and Jackson Counties, Texas, and all Texas counties lying south thereof.	January 31.
El Paso, Hudspeth, Culberson, Reeves, Loving, Winkler, Ector, Upton, Reagan, Sterling, Coke, Tom Green, Concho, McCulloch, San Saba, Mills, Hamilton, Bosque, Johnson, Tarrant, Wise, Cooke Counties, Texas, and all Texas counties lying south and east thereof to and including Terrell, Crockett, Sutton, Kimble, Gillespie, Blanco, Comal, Guadalupe, Gonzales, De Witt, Lavaca, Colorado, Wharton, and Matagorda Counties, Texas.	February 15.
Alabama; Arizona; Arkansas; California; Florida; Georgia; Louisiana; Mississippi; Nevada; North Carolina: and South Carolina.	February 28.
All other Texas counties and all other states	March 15.
Jackson, Victoria, Goliad, Bee, Live Oak, McMullen, LaSalle, and Dimmit Counties, Texas and all Texas counties lying south thereof.	January 31.
Alabama; Arizona; Arkansas; California; Florida; Georgia; Louisiana; Mississippi; Nevada; North Carolina; and South Carolina; and El Paso, Hudspeth, Culberson, Reeves, Loving, Winkler, Ector, Upton, Reagan, Sterling, Coke, Tom Green, Concho, McCulloch, San Saba, Mills, Hamilton, Bosque, Johnson, Tarrant, Wise, Cooke Counties, Texas, and all Texas counties lying south and east thereof to and including Maverick, Zavala, Frio, Atascosa, Karnes, De Witt, Lavaca, Colorado, Wharton, and Matagorda Counties, Texas.	February 28.
All other Texas counties and all other states	March 15.

## 5. Insured Crop

- (a) In accordance with section 8 of the Basic Provisions, the crop insured will be each coarse grain crop you elect to insure for which premium rates are provided by the actuarial documents:
- (1) In which you have a share;
- (2) That is adapted to the area based on days to maturity and is compatible with agronomic and weather conditions in the area;
- (3) That is not (unless allowed by the Special Provisions or by written agreement):
- (i) Interplanted with another crop except as allowed in section 5(b)(1); or
- (ii) Planted into an established grass or legume.
- (b) For corn only, in addition to the provisions of section 5(a), the corn crop insured will be all corn that is:
- (1) Planted for harvest either as grain or as silage (see section 5(c)). A mixture of corn and sorghum (grain or forage-type) will be insured as corn silage if the sorghum does not constitute more than twenty percent (20%) of the plants;
- (2) Yellow dent or white corn, including mixed yellow and white, waxy or high-lysine corn, high-oil corn blends containing mixtures of at least 90 percent high yielding yellow dent female plants with high-oil male

pollinator plants, or commercial varieties of high-protein hybrids, and excluding:

- (i) High-amylose, high-oil or high-protein (except as authorized in section 5(b)(2)), flint, flour, Indian, or blue corn, or a variety genetically adapted to provide forage for wildlife or any other open pollinated corn, unless a written agreement allows insurance of such excluded crops.
- (ii) A variety of corn adapted for silage use only when the corn is reported for insurance as grain.
- (c) For corn only, if the actuarial documents for the county provide a premium rate for:
- (1) Both grain and silage, all insurable acreage will be insured as the type or types reported by you on or before the acreage reporting date;
- (2) Grain but not silage, all insurable acreage will be insured as grain unless a written agreement allows insurance on all or a portion of the insurable acreage as silage; or
- (3) Silage but not grain, all insurable corn acreage will be insured as silage unless a written agreement allows insurance on all or a portion of the insurable acreage as grain.
- (d) For grain sorghum only, in addition to the provisions of section 5(a), the grain sorghum crop insured will be all of the grain sorghum in the county:
  - (1) That is planted for harvest as grain;

- (2) That is a combine-type hybrid grain sorghum (grown from hybrid seed); and
- (3) That is not a dual-purpose type of grain sorghum (a type used for both grain and forage), unless a written agreement allows insurance of such grain sorghum.
- (e) For soybeans only, in addition to the provisions of section 5(a), the soybean crop insured will be all of the soybeans in the county that are planted for harvest as beans.

#### 6. Insurable Acreage

In addition to the provisions of section 9 of the Basic Provisions, any acreage of the insured crop damaged before the final planting date, to the extent that a majority of producers in the area would not normally further care for the crop, must be replanted unless we agreee that it is not practical to replant.

#### 7. Insurance Period

In accordance with the provisions of section 11 of the Basic Provisions, the calendar date for the end of the insurance period is the date immediately following planting as follows:

(a) For corn insured as grain:	
(1) Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and	September 30.
Jackson Counties, Texas, and all Texas counties lying south thereof.	
(2) Clark, Cowlitz, Grays Harbor, Island, Jefferson, King, Kitsap, Lewis, Pierce, Skagit,	October 31.
Snohomish, Thurston, Wahkiakum, and Whatcom Counties, Washington.	
(3) All other counties and states	December 10.
(b) For corn insured as silage:	
(1) Connecticut, Delaware, Idaho, Maine, Maryland, Massachusetts, New Hampshire,	October 20.
New Jersey, New York, North Carolina, Oregon, Pennsylvania, Rhode Island,	
Vermont, Virginia, Washington, and West Virginia.	
(2) All other states	September 30.
(c) For grain sorghum:	
(1) Val Verde, Edwards, Kerr, Kendall, Bexar, Wilson, Karnes, Goliad, Victoria, and	September 30.
Jackson Counties, Texas, and all Texas counties lying south thereof.	
(2) All other Texas counties and all other states	December 10.

## 8. Causes of Loss

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

- (a) Adverse weather conditions;
- (b) Fire:
- (c) Insects, but not damage due to insufficient or improper application of pest control measures;
- (d) Plant disease, but not damage due to insufficient or improper application of disease control measures;
  - (e) Wildlife;
  - (f) Earthquake;
  - (g) Volcanic eruption;
- (h) Failure of the irrigation water supply due to a cause of loss specified in sections 8(a) through (g) that also occurs during the insurance period; or
- (i) For revenue protection, a change in the harvest price from the projected price, unless FCIC can prove the price change was the direct result of an uninsured cause of loss specified in section 12(a) of the Basic Provisions

## $9. \ Replanting \ Payments$

- (a) A replanting payment is allowed as follows:
- (1) In lieu of provisions in section 13 of the Basic Provisions that limit the amount of a

replant payment to the actual cost of replanting, the amount of any replanting payment will be determined in accordance with these Crop Provisions;

- (2) Except as specified in section 9(a)(1), you must comply with all requirements regarding replanting payments contained in section 13 of the Basic Provisions; and
- (3) The insured crop must be damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the production guarantee for the acreage.
- (b) Unless otherwise specified in the Special Provisions, the amount of the replanting payment per acre will be the lesser of 20 percent of the production guarantee or the number of bushels (tons for corn insured as silage) for the applicable crop specified below, multiplied by your projected price, multiplied by your share:
  - (1) 8 bushels for corn grain;
  - (2) 1 ton for corn silage;
  - (3) 7 bushels for grain sorghum; and
  - (4) 3 bushels for soybeans.
- (c) When the crop is replanted using a practice that is uninsurable for an original planting, the liability on the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.
- (d) If the acreage is replanted to an insured crop type that is different than the insured crop type originally planted on the acreage:

## §457.113

- (1) The production guarantee, premium, and projected price and harvest price, as applicable, will be adjusted based on the replanted type:
- (2) Replanting payments will be calculated using your projected price and production guarantee for the crop type that is replanted and insured; and
- (3) A revised acreage report will be required to reflect the replanted type, as applicable
  - 10. Duties in the Event of Damage or Loss
- (a) Representative samples are required in accordance with section 14 of the Basic Provisions.
- (b) For any corn unit that has separate dates for the end of the insurance period (grain and silage), in lieu of the requirement contained in section 14 of the Basic Provisions to provide notice within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period), you must provide notice within 72 hours of your initial discovery of damage (but not later than 15 days after the latest end of the insurance period applicable to the unit).
- (c) If you will harvest any acreage in a manner other than as you reported it for coverage (e.g., you reported planting it to harvest as grain but will harvest the acreage for silage, or you reported planting it to harvest as silage but will harvest the acreage for grain), you must notify us before harvest begins. Failure to timely provide notice will result in production to count determined in accordance with section 11(c)(1)(i)(E).

#### 11. Settlement of Claim

- (a) We will determine your loss on a unit basis. In the event you are unable to provide records of production that are acceptable to us for any:
- (1) Optional unit, we will combine all optional units for which acceptable records of production were not provided; or
- (2) Basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.
- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
- (1) Multiplying the number of insured acres of each insured crop or type, as applicable, by your respective:
- (i) Yield protection guarantee (per acre) if you elected yield protection; or
- (ii) Revenue protection guarantee (per acre) if you elected revenue protection;
- (2) Totaling the results of section 11(b)(1)(i) or 11(b)(1)(ii), whichever is applicable:
- (3) Multiplying the production to count of each insured crop or type, as applicable, by your respective:

- (i) Projected price if you elected yield protection; or
- (ii) Harvest price if you elected revenue protection:
- (4) Totaling the results of section 11(b)(3)(i) or 11(b)(3)(ii), whichever is applicable;
- (5) Subtracting the result of section 11(b)(4) from the result of section 11(b)(2); and
- (6) Multiplying the result of section 11(b)(5) by your share.

For example:

You have 100 percent share in 50 acres of corn in the unit with a production guarantee (per acre) of 115 bushels, your projected price is \$2.25, your harvest price is \$2.20, and your production to count is 5.000 bushels.

If you elected yield protection:

- (1) 50 acres  $\times$  (115 bushel production guarantee  $\times$  \$2.25 projected price) = \$12,937.50 value of the production guarantee
- (3) 5,000 bushel production to count  $\times\,\$2.25$  projected price = \$11,250.00 value of the production to count
- (5) \$12,937.50 \$11,250.00 = \$1,687.50
- (6)  $\$1,687.50 \times 1.000$  share = \$1,688.00 indemnity: or
- If you elected revenue protection:
- (1) 50 acres  $\times$  (115 bushel production guarantee  $\times$  \$2.25 projected price) = \$12,937.50 revenue protection guarantee
- (3) 5,000 bushel production to count  $\times$  \$2.20 harvest price = \$11,000.00 value of the production to count
  - (5) \$12,937.50 \$11,000.00 = \$1,937.50
- (6)  $\$1,937.50 \times 1.000 \text{ share} = \$1,938.00 \text{ indemnity.}$
- (c) The total production to count (in bushels for corn insured as grain or in tons for corn insured as silage) from all insurable acreage on the unit will include:
  - (1) All appraised production as follows:
- (i) For yield protection, not less than the production guarantee, or for revenue protection, not less than the amount of production that when multiplied by the harvest price equals the revenue protection guarantee (per acre) for acreage:
  - (A) That is abandoned;
- (B) Put to another use without our consent:
- (C) Damaged solely by uninsured causes;
- (D) For which you fail to provide records of production that are acceptable to us; or
- (E) For which you fail to give us notice before harvest begins if you report planting the corn to harvest as grain but harvest it as silage or you report planting the corn to harvest as silage but harvest it as grain.
- (ii) Production lost due to uninsured causes;
- (iii) Unharvested production (mature unharvested production may be adjusted for quality deficiencies and excess moisture in accordance with section 11(d)); and
- (iv) Potential production on insured acreage you will put to another use or abandon, if you and we agree on the appraised amount

of production. Upon such agreement the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

- (A) If you do not elect to continue to care for the crop we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or you fail to provide sufficient care for the samples. our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or
- (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and
- (2) All harvested production from the insurable acreage.
- (d) Mature coarse grain production (excluding corn insured as silage) may be adjusted for excess moisture and quality deficiencies. If moisture adjustment is applicable it will be made prior to any adjustment for quality. Corn insured as silage will be adjusted for excess moisture and quality only as specified in section 11(e).
- (1) Production will be reduced by 0.12 percent for each 0.1 percentage point of moisture in excess of:
- (i) Fifteen percent (15%) for corn (If moisture exceeds 30 percent (30%), production will be reduced 0.2 percent for each 0.1 percentage point above 30 percent (30%));
- (ii) Fourteen percent (14%) for grain sorghum; and
- (iii) Thirteen percent (13%) for soybeans.
- We may obtain samples of the production to determine the moisture content.
- (2) Production will be eligible for quality adjustment if:
- (i) Deficiencies in quality, in accordance with the Official United States Standards for Grain, result in:
- (A) Corn not meeting the grade requirements for U.S. No. 4 (grades U.S. No. 5 or worse) because of test weight or kernel damage (excluding heat damage) or having a musty, sour, or commercially objectionable foreign odor:
- (B) Grain sorghum not meeting the grade requirements for U.S. No. 4 (grades U.S. Sample grade) because of test weight or kernel damage (excluding heat damage) or having a musty, sour, or commercially objectionable foreign odor (except smut odor), or meets the special grade requirements for smutty grain sorghum; or

- (C) Soybeans not meeting the grade requirements for U.S. No. 4 (grades U.S. Sample grade) because of test weight or kernel damage (excluding heat damage) or having a musty, sour, or commercially objectionable foreign odor (except garlic odor), or which meet the special grade requirements for garlicky soybeans; or
- (ii) Substances or conditions are present that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.
- (3) Quality will be a factor in determining your loss only if:
- (i) The deficiencies, substances, or conditions resulted from a cause of loss against which insurance is provided under these crop provisions;
- (ii) All determinations of these deficiencies, substances, or conditions are made using samples of the production obtained by us or by a disinterested third party approved by us;
- (iii) With regard to deficiencies in quality (except test weight, which may be determined by our loss adjuster), the samples are analyzed by:
- (A) A grain grader licensed under the United States Grain Standards Act or the United States Warehouse Act;
- (B) A grain grader licensed under State law and employed by a warehouse operator who has a storage agreement with the Commodity Credit Corporation; or
- (C) A grain grader not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in compliance with State law regarding warehouses; and
- (iv) With regard to substances or conditions injurious to human or animal health, the samples are analyzed by a laboratory approved by us.
- (4) Coarse grain production that is eligible for quality adjustment, as specified in sections 11(d) (2) and (3), will be reduced by the quality adjustment factor contained in the Special Provisions.
  - (e) For corn insured as silage:
- (1) Whenever our appraisal of grain content is less than 4.5 bushels of grain per ton of silage, the silage production will be reduced by 1 percentage point for each 0.1(1/10) of a bushel less than 4.5 bushels per ton (If we cannot make a grain appraisal before harvest and you do not leave a representative unharvested sample, in accordance with the policy no reduction for grain-deficient silage will be made.); and
- (2) If the normal silage harvesting period has ended, or for any acreage harvested as silage or appraised as silage after the calendar date for the end of the insurance period as specified in section 7(b), we may increase the silage production to count to a 65 percent

## §§ 457.114-457.115

moisture equivalent to reflect the normal moisture content of silage harvested during the normal silage harvesting period.

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

#### 12. Prevented Planting

Your prevented planting coverage will be 60 percent of your production guarantee for timely planted acreage. If you have additional coverage and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents.

[59 FR 49161, Sept. 27, 1994; 59 FR 60063, Nov. 22, 1994, as amended at 60 FR 62728, 62729, Dec. 7, 1995; 62 FR 63633, Dec. 2, 1997; 62 FR 65168, Dec. 10, 1997; 67 FR 55690, Aug. 30, 2002; 75 FR 15881, 15882, 15883, Mar. 30, 2010]

## §§ 457.114-457.115 [Reserved]

# § 457.116 Sugarcane crop insurance provisions.

The Sugarcane Crop Insurance Provisions for the 2011 and succeeding crop years are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

Sugarcane Crop Provisions

#### 1. Definitions

Crop year—The period within which the insured sugarcane is normally grown and designated by the calendar year in which the harvest of sugarcane normally begins in the county.

Harvest—Cutting and removing the mature sugarcane from the field.

Irrigated practice—A method of producing a crop by which water is artificially applied during the growing season by appropriate systems and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated acreage planted to the insured crop.

Local market price—The price per pound for raw sugar offered by buyers in the area in which you normally market the sugarcane.

Plant cane—The insured crop which grows from seed planted for the crop year.

Stubble cane—The insured crop which grows from the stubble of sugarcane that was harvested the previous crop year.

Sugarcane. The grass, Saccharum officinarum, that is grown to produce sugar.

## 7 CFR Ch. IV (1-1-11 Edition)

- 2. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities
- (a) In addition to the requirements of section 3 (Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities) of the Basic Provisions (§457.8), you may select only one price election for all the sugarcane in the county insured under this policy.
- (b) Instead of reporting your sugarcane production for the previous crop year as required by subsection 3(f) of the Basic Provisions (§457.8), there is a lag period of one year and you are required to report production from two crop years previously, e.g., 1994 crop year production must be reported by the required date for the 1996 crop year.

## 3. Contract Changes

In accordance with section 4 of the Basic Provisions (§457.8), the contract change date is June 30 preceding the cancellation date.

#### 4. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions (§457.8), the cancellation and termination dates are September 30.

# 5. Insured Crop

- (a) In accordance with section 8 of the Basic Provisions (§457.8), the crop insured will be all the sugarcane in the county for which a premium rate is provided by the actuarial documents:
  - (1) In which you have a share;
- (2) That is grown for processing for sugar or for seed; and
- (3) That is not interplanted with another crop, unless allowed by a written agreement.
- (b) In addition to the crop listed as not insured in section 8(b) of the Basic Provisions (§ 457.8), we will not insure any sugarcane:
- (1) That was damaged the previous crop year to the extent the sugarcane is unable to produce the yield used to establish the production guarantee for the unit for the current crop year; or
- (2) That exceeds the age limitations (by variety, if applicable) contained in the Special Provisions, unless we agree in writing to insure such acreage. An agreement in writing will not be provided unless, after an appraisal, we determine that the crop is able to produce at least the yield used to establish the production guarantee for the unit for the current crop year.

## 6. Insurable Acreage

Section 9(a)(2)(iv) of the Basic Provisions (§457.8), is not applicable to the Sugarcane Crop Insurance Provisions.

#### 7. Insurance Period

(a) In addition to the provisions of section 11 of the Basic Provisions (§ 457.8), insurance attaches: