

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## DEPARTMENT OF AGRICULTURE

### Federal Crop Insurance Corporation

#### 7 CFR Part 457

#### Common Crop Insurance Regulations; Forage Production Crop Insurance Provisions

**AGENCY:** Federal Crop Insurance Corporation, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** The Federal Crop Insurance Corporation (FCIC) proposes specific crop provisions for the insurance of forage production. The provisions will be used in conjunction with the Common Crop Insurance Policy Basic Provisions, which contain standard terms and conditions common to most crops. The intended effect of this action is to provide policy changes to better meet the needs of producers, add an optional Forage Production Winter Coverage Endorsement, and combine the current Forage Production Crop Insurance Regulations with the Common Crop Insurance Policy for ease of use and consistency of terms.

**DATES:** Written comments, data, and opinions on this proposed rule will be accepted until close of business November 12, 1996 and will be considered when the rule is to be made final. The comment period for information collections under the Paperwork Reduction Act of 1995 continues through November 12, 1996.

**ADDRESSES:** Interested persons are invited to submit written comments to the Chief, Product Development Branch, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131. Written comments will be available for public inspection and copying in room 0324, South Building, USDA, 14th and Independence Avenue, S.W., Washington, D.C., 8:15 a.m.–4:45 p.m., Monday through Friday.

**FOR FURTHER INFORMATION CONTACT:** Richard Brayton, Program Analyst, Research and Development Division,

Product Development Branch, FCIC, at the Kansas City, MO, address listed above, telephone (816) 926-7730.

#### SUPPLEMENTARY INFORMATION:

Executive Order No. 12866 and Departmental Regulation 1512-1

This action has been reviewed under United States Department of Agriculture (USDA) procedures established by Executive Order No. 12866 and Departmental Regulation 1512-1. This action constitutes a review as to the need, currency, clarity, and effectiveness of these regulations under those procedures. The sunset review date established for these regulations is October 5, 2001.

This rule has been determined to be not significant for the purposes of Executive Order No. 12866 and therefore has not been reviewed by the Office of Management and Budget (OMB).

#### Paperwork Reduction Act of 1995

The information collection requirements contained in these regulations were previously approved by OMB pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35) under OMB control number 0563-0003 through September 30, 1998.

The amendments sent forth in this proposed rule do not contain additional information collections that require clearance by OMB under the provisions of 44 U.S.C. chapter 35.

The title of this information collection is "Catastrophic Risk Protection Plan and Related Requirements including, Common Crop Insurance Regulations; Forage Production Crop Insurance Provisions; and Forage Production Winter Coverage Endorsement." The information to be collected includes: a crop insurance application and acreage report. Information collected from the acreage report and application is electronically submitted to FCIC by the reinsured companies. Potential respondents to this information collection are producers of forage production that are eligible for Federal crop insurance.

The information requested is necessary for the reinsured companies and FCIC to provide insurance and reinsurance, determine eligibility, determine the correct parties to the agreement or contract, determine and

collect premiums or other monetary amounts, and pay benefits.

All information is reported annually. The reporting burden for this collection of information is estimated to average 16.9 minutes per response for each of the 3.6 responses from approximately 1,755,015 respondents. The total annual burden on the public for this information collection is 2,669,970 hours.

The comment period for information collections under the Paperwork Reduction Act of 1995 continues for the following: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information gathering technology.

Comments regarding paperwork reduction should be submitted to the Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 and to Bonnie Hart, Advisory and Corporate Operations Staff, Regulatory Review Group, Farm Service Agency, PO Box 2415, STOP 0572, U.S. Department of Agriculture, Washington, DC 20013-2415. Telephone (202) 690-2857. Copies of the information collection may be obtained from Bonnie Hart at the above address.

#### Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandate Reform Act of 1995 (UMRA), Public Law 104-4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. Under section 202 of the UMRA, FCIC generally must prepare a written statement, including a cost-benefit analysis, for proposed and final rules with "Federal mandates" that may result in expenditures of State, local, or tribal governments, in the aggregate, or to the private sector, of \$100 million or more in any 1 year. When such a

statement is needed for a rule, section 205 of the UMRA generally requires FCIC to identify and consider a reasonable number of regulatory alternatives and adopt the least costly, more cost-effective or least burdensome alternative that achieves the objectives of the rule.

This rule contains no Federal mandates (under the regulatory provisions of title II of the UMRA) for State, local, and tribal governments or the private sector. Thus, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

#### Executive Order No. 12612

It has been determined under section 6(a) of Executive Order No. 12612, Federalism, that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment. The provisions contained in this rule will not have a substantial direct effect on States or their political subdivisions, or on the distribution of power and responsibilities among the various levels of government.

#### Regulatory Flexibility Act

This regulation will not have a significant impact on a substantial number of small entities. Under the current regulations, a producer is required to complete an application and acreage report. If the crop is damaged or destroyed, the insured is required to give notice of loss and provide the necessary information to complete a claim for indemnity. The insured may use actual records of production or receive a transitional yield which does not require the maintenance of production records. If the insured elects to use actual records of acreage and production as the basis for the production guarantee, the insured must report this information on a yearly basis. This regulation does not alter those requirements. Therefore, the amount of work required of the insurance companies and Farm Service Agency (FSA) offices delivering and servicing these policies will not increase significantly from the amount of work currently required. This rule does not have any greater or lesser impact on the producer. Therefore, this action is determined to be exempt from the provisions of the Regulatory Flexibility Act (5 U.S.C. 605), and no Regulatory Flexibility Analysis was prepared.

#### Federal Assistance Program

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.450.

#### Executive Order No. 12372

This program is not subject to the provisions of Executive Order No. 12372, which require intergovernmental consultation with State and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115, June 24, 1983.

#### Executive Order No. 12778

The Office of the General Counsel has determined that these regulations meet the applicable standards provided in sections 2(a) and 2(b)(2) of Executive Order No. 12778. The provisions of this rule will not have a retroactive effect prior to the effective date. The provisions of this rule will preempt State and local laws to the extent such State and local laws are inconsistent herewith. The administrative appeal provisions in 7 CFR parts 11 and 780 must be exhausted before any action for judicial review may be brought.

#### Environmental Evaluation

This action is not expected to have a significant impact on the quality of the human environment, health, and safety. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

#### National Performance Review

This regulatory action is being taken as part of the National Performance Review Initiative to eliminate unnecessary or duplicative regulations and improve those that remain in force.

#### Background

FCIC proposes to add to the Common Crop Insurance Regulations (7 CFR part 457), two new sections: 7 CFR 457.117, Forage Production Crop Insurance Provisions; and 457.127, Forage Production Winter Coverage Endorsement. The new provisions will be effective for the 1998 and succeeding crop years. These provisions will replace the current provisions for insuring forage production found at 7 CFR part 415. Upon publication of the Forage Production Crop Provisions and the Forage Production Winter Coverage Endorsement as a final rule, the current provisions for insuring forage production will be removed from 7 CFR part 415 and that part will be reserved.

This rule makes minor editorial and format changes to improve the Forage Production Crop Insurance Regulations' compatibility with the Common Crop Insurance Policy. In addition, FCIC is proposing substantive changes in the provisions for insuring forage production as follows:

1. Section 1—Add definitions for the terms "air-dry forage," "days," "good

farming practices," "irrigated practice," "production guarantee (per acre)," "ton," "written agreement," and "year of establishment" for clarification purposes. Add a definition for the term "adequate stand" to specify that the minimum number of plants required for insurance to attach will be contained in the Special Provisions. The definition also allows for regional differences in plant populations. Add a definition for the term "fall-planted" to specify that a forage crop planted after June 30 will be considered fall-planted. Add a definition for the term "spring-planted" to specify that forage planted before July 1 year will be considered spring-planted. Revise the definition for the term "forage" to recognize the various types or mixtures of forage grown throughout the United States. Revise the definition for the term "harvest" to specify that grazing will not be considered harvested because insurance coverage is not provided for forage that is grown for the purpose of grazing.

2. Section 2—Clarify that optional units are not available for forage production.

3. Section 3(a)—Clarify that an insured may select only one price election for all the forage production in the county insured under the policy, unless the Special Provisions provide different price elections by type, in which case the insured may select one price election for each forage type designated in the Special Provisions.

4. Section 3(b)—Clarify that an insured must report, by the production reporting date, the total production harvested from insurable acreage for all cuttings for each unit.

5. Section 4—Change the contract change date from August 15 to June 30. This change eliminates the distribution of actuarial materials separately for this crop, thereby simplifying the crop insurance program and reducing administrative overhead costs.

6. Section 5—Change the cancellation and terminations dates from November 30 to September 30. The sales closing date for the 1998 crop year is also changed to September 30. This change will allow the insurer the opportunity to inspect any forage acreage under more favorable weather conditions to determine that an adequate stand exists prior to accepting an application.

7. Section 6—Specify that an insured must submit separate acreage reports for acreage insured under the Forage Production Winter Coverage Endorsement and for all other forage acreage on or before the acreage reporting dates contained in the Special Provisions. Separate fall and spring acreage reports are necessary because

insurance attaches in the fall for forage acreage insured under the Forage Production Winter Coverage Endorsement and in the spring for all other forage acreage.

8. Section 7(b)—Clarify that forage must have an adequate stand before insurance will attach. Eliminate the provision that allows overage stands of forage to be insured by written agreement. This change eliminates coverage on overage forage acreage that has significantly lower production yields.

9. Section 8—Provide different calendar dates for the beginning of the insurance period for acreage covered under the Forage Production Winter Coverage Endorsement. This change is necessary due to the addition of the new Forage Production Winter Coverage Endorsement.

10. Section 12—Add provisions for providing insurance coverage by written agreement. FCIC has a long standing policy of permitting certain modifications of the insurance contract by written agreement for some policies. This amendment allows FCIC to tailor the policy to a specific insured in certain instances. The new section will cover application for and duration of written agreements.

11. Section 457.127—Add a new Forage Production Winter Coverage Endorsement. This endorsement will provide optional winter coverage in any county for which the actuarial table designates forage production premium rates when the insured elects the endorsement by the sales closing date. Current regulations allow winter coverage as a part of the basic policy, which affects the premium rates for all persons who insure forage production. Allowing winter protection only when the insured elects the Forage Production Winter Coverage Endorsement will result in separate premium rates for insureds who elect winter coverage.

#### List of Subjects in 7 CFR Part 457

Crop insurance, Forage production.

Pursuant to the authority contained in the Federal Crop Insurance Act, as amended (7 U.S.C. 1501 *et seq.*), the Federal Crop Insurance Corporation hereby proposes to amend the Common Crop Insurance Regulations, (7 CFR part 457), effective for the 1998 and succeeding crop years, to read as follows:

#### PART 457—[AMENDED]

1. The authority citation for 7 CFR part 457 continues to read as follows.

Authority: 7 U.S.C. 1506(l) and 1506(p).

2. 7 CFR part 457 is amended by adding new §§ 457.117 and 457.127 to read as follows:

#### § 457.117 Forage Production Crop Insurance Provisions.

The Forage Production Crop Insurance Provisions for the 1998 and succeeding crop years are as follows:

United States Department of Agriculture  
Federal Crop Insurance Corporation  
Forage Production Crop Provisions

If a conflict exists among the Basic Provisions (§ 457.8), these crop provisions, and the Special Provisions, the Special Provisions will control these crop provisions and the Basic Provisions, and these crop provisions will control the Basic Provisions.

##### 1. Definitions

*Adequate stand*—A population of live forage plants that equals or exceeds the minimum required number of plants per square foot as shown in the Special Provisions.

*Air-dry forage*—Forage that has dried in windrows by natural means to less than eighteen percent (18%) moisture before being put into stacks or bales.

*Crop year*—The period from the date insurance attaches until harvest is normally completed, which is designated by the calendar year in which the majority of the forage is normally harvested.

*Cutting*—Severance of the forage plant from the land for the purpose of livestock feed.

*Days*—Calendar days.

*Fall planted*—A forage crop planted after June 30.

*Forage*—Planted perennial alfalfa, perennial red clover, perennial grasses, or a mixture thereof, as shown in the actuarial table.

*Good farming practices*—The cultural practices generally in use in the county for the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee, and generally recognized by the Cooperative Extension Service as compatible with agronomic and weather conditions in the county.

*Harvest*—Removal of forage from the windrow or field. Grazing will not be considered harvested.

*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.

*Production guarantee (per acre)*—The number of tons determined by multiplying the approved yield per acre times the coverage level percentage you elect.

*Spring planted*—A forage crop planted before July 1.

*Ton*—Two thousand (2,000) pounds avoirdupois.

*Written agreement*—A written document that alters designated terms of a policy in accordance with section 12.

*Year of establishment*—The period between seeding and when the forage crop has developed an adequate stand. Insurance during the year of establishment may be available under the forage seeding policy. Insurance under this policy does not attach until after the year of establishment. The year of establishment is determined by the date of seeding. A forage crop planted before July 1 is considered as spring planted and the year of establishment is designated by the calendar year in which seeding occurred. A forage crop planted after June 30 is considered as fall planted and the year of establishment is designated by the calendar year after the year in which the crop was planted.

##### 2. Unit Division

Optional units are not available for forage production. See the definition of unit contained in section 1 (Definitions) of the Basic Provisions (§ 457.8).

3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities In addition to the requirements of section 3 (Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities) of the Basic Provisions (§ 457.8):

(a) You may only select one price election for all the forage in the county insured under this policy unless the Special Provisions provide different price elections by type. If the Special Provisions provide different price elections by type, you may select one price election for each forage type. The price elections you choose for each type must have the same percentage relationship to the maximum price offered by us for each type. For example, if you choose 100 percent (100%) of the maximum price election for a specific type, you must also choose 100 percent (100%) of the maximum price election for all other types.

(b) You must report the total production harvested from insurable acreage for all cuttings for each unit by the production reporting date.

(c) Separate guarantees will be determined by forage type, as applicable.

##### 4. Contract Changes

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

##### 5. Cancellation and Termination Dates

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

##### 6. Report of Acreage

In addition to section 6 of the Basic Provisions (§ 457.8), you must submit separate acreage reports for acreage insured under the Forage Production Winter Coverage Endorsement and for all other insurable forage acreage.

##### 7. Insured Crop

(a) In accordance with section 8 (Insured Crop) of the Basic Provisions (§ 457.8), the crop insured will be all the forage in the

county for which a premium rate is provided by the actuarial table:

- (1) In which you have a share;
  - (2) That is planted for harvest as livestock feed; and
  - (3) That is grown after the year of establishment.
- (b) In addition to the crop listed as not insured in section 8 (Insured Crop) of the Basic Provisions (§ 457.8), we will not insure any forage that:
- (1) Does not have an adequate stand at the beginning of the insurance period;
  - (2) Is grown with a non-forage crop; or
  - (3) Exceeds the age limitations for forage stands contained in the Special Provisions.

#### 8. Insurance Period

In lieu of the provisions of section 11 (Insurance Period) of the Basic Provisions (§ 457.8):

(a) Insurance attaches on acreage with an adequate stand on the later of the date we accept your application or the applicable calendar dates listed below:

(1) For the first and subsequent calendar years following the year of establishment, except as otherwise provided in subsection (a)(2) for:

- (i) California—February 1;
- (ii) Colorado, Idaho, Nebraska, Nevada, Oregon, Utah, and Washington—April 15;
- (iii) Iowa, Minnesota, Montana, New Hampshire, New York, North Dakota, Pennsylvania, Wisconsin, Wyoming, and all other states—May 22;

(2) The calendar date specified in the Forage Production Winter Coverage Endorsement for acreage insured under such endorsement.

(b) Insurance ends at the earliest of:

- (1) Total destruction of the forage crop;
- (2) Removal from the windrow or the field for each cutting;
- (3) Final adjustment of a loss;
- (4) The date grazing commences on the forage crop;
- (5) Abandonment of the forage crop; or
- (6) The following dates of the crop year:
  - (i) All states except California—October 15;
  - (ii) California—December 31.

(c) In order to obtain year round coverage for a calendar year, you must purchase the Forage Production Winter Coverage Endorsement (§ 457.127).

#### 9. Causes of Loss

(a) In accordance with the provisions of section 12 (Causes of Loss) of the Basic Provisions (§ 457.8), insurance is provided only against the following causes of loss that occur during the insurance period:

- (1) Adverse weather conditions;
- (2) Fire;
- (3) Insects, but not damage due to insufficient or improper application of pest control measures;
- (4) Plant disease, but not damage due to insufficient or improper application of disease control measures;
- (5) Wildlife;
- (6) Earthquake;
- (7) Volcanic eruption; or
- (8) Failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period.

(b) In addition to the causes of loss not covered in section 12 (Causes of Loss) of the

Basic Provisions (§ 457.8), we will not insure against damage that occurs after removal from the windrow.

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

In addition to your duties contained in section 14 (Duties in the Event of Damage or Loss) of the Basic Provisions (§ 457.8), if you discover any insured forage is damaged, or if you intend to claim an indemnity on any unit, you must give notice:

- (a) Of probable loss at least 15 days before the beginning of any cutting or immediately if probable loss is discovered after cutting has begun; and
- (b) At least 5 days before grazing of insured forage begins. Such notice must include the number of acres harvested and tons produced from each unit.

#### 11. Settlement of Claim

(a) We will determine your loss on a unit basis. In the event you are unable to provide production records for any 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 acreage for each type, as provided in the Special Provisions, times its respective production guarantee;
- (2) Multiplying each product of paragraph (1) times the respective price election;
- (3) Totaling the results of each crop type from paragraph (2);
- (4) Multiplying the total production to be counted of each type, if applicable, (see section 11(c)) times its respective price election;
- (5) Totaling the results of each crop type from paragraph (4);
- (6) Subtracting the result of paragraph (5) from the total in paragraph (3); and
- (7) Multiplying the result in paragraph (6) by your share.

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

- (1) All appraised production as follows:
  - (i) Not less than the production guarantee per acre for acreage:
    - (A) That is abandoned;
    - (B) Put to another use without our consent;
    - (C) Damaged solely by uninsured causes; or
    - (D) For which you fail to provide production records that are acceptable to us;
  - (ii) Production lost due to uninsured causes;
  - (iii) Unharvested production;
  - (iv) 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) All harvested production from the insurable acreage.

(d) When forage is harvested as other than air-dry forage, the production to count will be adjusted to the equivalent of air-dry forage.

(e) Any harvested production from plants growing in the forage will be counted as forage on a weight basis.

(f) In addition to the provisions of section 15 (Production Included in Determining Indemnities) of the Basic Provisions (§ 457.8), we may determine the amount of production of any unharvested forage on the basis of our field appraisals conducted after the normal time for each cutting for the area.

#### 12. Written Agreements

Designated terms of this policy may be altered by written agreement in accordance with the following:

(a) You must apply in writing for each written agreement no later than the sales closing date, except as provided in section 12(e);

(b) The application for a written agreement must contain all variable terms of the contract between you and us that will be in effect if the written agreement is not approved;

(c) If approved, the written agreement will include all variable terms of the contract, including, but not limited to, crop type or variety, the guarantee, premium rate, and price election;

(d) Each written agreement will only be valid for one year (If the written agreement is not specifically renewed the following year, insurance coverage for subsequent crop years will be in accordance with the printed policy); and

(e) An application for a written agreement submitted after the sales closing date may be approved if, after a physical inspection of the acreage, it is determined that no loss has occurred and the crop is insurable in accordance with the policy and written agreement provisions.

#### **§ 457.127 Forage Production Winter Coverage Endorsement.**

The provisions of the Forage Production Winter Coverage Endorsement for the 1998 and succeeding crop years are as follows:

United States Department of Agriculture  
Federal Crop Insurance Corporation

Forage Production Winter Coverage  
Endorsement

In return for payment of the additional premium designated in the actuarial table,

the Common Crop Insurance Policy Basic Provisions (§ 457.8) and the Forage Production Crop Insurance Provisions (§ 457.117) are amended to incorporate the following terms and conditions:

(a) For this Endorsement to be effective, you must have the Common Crop Insurance Policy Basic Provisions (§ 457.8) and the Forage Production Crop Insurance Provisions (§ 457.117) in force and you must comply with all terms and conditions contained therein.

(b) This Endorsement is not available for forage crops insured under a Catastrophic Risk Protection Endorsement.

(c) You must elect this Endorsement on your application or on a form approved by us, for coverage under this Endorsement, on or before the sales closing date specified in the Special Provisions for the crop year in which you wish to insure your forage under this Endorsement.

(d) This Endorsement is available for the following acreage in all counties for which the actuarial table designates forage production premium rates:

(1) Fall planted acreage, for the first and subsequent crop years following the year of establishment; and

(2) Spring planted acreage, for the second and subsequent crop years following the year of establishment.

(e) Under this Endorsement, the insurance period will be as follows:

(1) Insurance will attach on acreage with an adequate stand on the later of the date we accept your application or the applicable calendar dates following the end of the insurance period for the previous crop year as listed below:

(i) For all states except California—October 16;

(ii) For California—January 1.

(2) Insurance will end on the earliest of:

(i) Total destruction of the forage crop;

(ii) Removal from the windrow or the field for each cutting;

(iii) Final adjustment of the loss;

(iv) Abandonment of the forage crop;

(v) The date grazing commences on the forage crop; or

(vi) The following dates of the crop year:

(A) All states except California—October 15;

(B) California—December 31.

(f) This is a continuous Endorsement and it will remain in effect for as long as your forage production policy remains in effect or you cancel this coverage in accordance with paragraph (g).

(g) This Endorsement may be canceled by either you or us for any succeeding crop year by giving written notice on or before the cancellation date preceding the crop year for which the cancellation of this Endorsement is to be effective.

Signed in Washington, DC, on September 5, 1996.

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

[FR Doc. 96-23497 Filed 9-12-96; 8:45 am]

BILLING CODE 3410-FA-P

## 7 CFR Part 457

RIN 0563-AB54

### Common Crop Insurance Regulations; Cranberry Crop Insurance Provisions

**AGENCY:** Federal Crop Insurance Corporation, USDA.

**ACTION:** Proposed rule.

**SUMMARY:** The Federal Crop Insurance Corporation ("FCIC") proposes specific crop provisions for the insurance of cranberries. The provisions will be used in conjunction with the Common Crop Insurance Policy Basic Provisions, which contain standard terms and conditions common to most crops. The intended effect of this action is to provide policy changes to better meet the needs of the insured and combine the current Cranberry Endorsement with the Common Crop Insurance Policy for ease of use and consistency of terms.

**DATES:** Written comments, data, and opinions on this proposed rule will be accepted until close of business November 12, 1996, and will be considered when the rule is to be made final. The comment period for information collections under the Paperwork Reduction Act of 1995 continues through November 12, 1996.

**ADDRESSES:** Interested persons are invited to submit written comments to the Chief, Product Development Branch, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131. Written comments will be available for public inspection and copying in room 0324, South Building, USDA, 14th and Independence Avenue, SW., Washington, DC., 8:15 a.m.-4:45 p.m., est, Monday through Friday.

**FOR FURTHER INFORMATION CONTACT:** Richard Brayton, Program Analyst, Research and Development Division, Product Development Branch, FCIC, at the Kansas City, MO, address listed above, telephone (816) 926-3834.

#### SUPPLEMENTARY INFORMATION:

Executive Order No. 12866 and Departmental Regulation 1512-1

This action has been reviewed under United States Department of Agriculture (USDA) procedures established by Executive Order No. 12866 and Departmental Regulation 1512-1. This action constitutes a review as to the need, currency, clarity, and effectiveness of these regulations under those procedures. The sunset review date established for these regulations is June 30, 2001.

This rule has been determined to be not significant for the purposes of

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The amendments set forth in this proposed rule do not contain additional information collections that require clearance by OMB under the provisions of 44 U.S.C. chapter 35.

The title of this information collection is "Catastrophic Risk Protection Plan and Related Requirements including, Common Crop Insurance Regulations; Cranberry Crop Insurance Provisions." The information to be collected includes: a crop insurance application and acreage report. Information collected from the application and acreage report is electronically submitted to FCIC by the reinsured companies. Potential respondents to this information collection are producers of cranberries that are eligible for Federal crop insurance.

The information requested is necessary for the reinsured companies and FCIC to provide insurance and reinsurance, determine eligibility, determine the correct parties to the agreement or contract, determine and collect premiums or other monetary amounts, and pay benefits.

All information is reported annually. The reporting burden for this collection of information is estimated to average 16.9 minutes per response for each of the 3.6 responses from approximately 1,755,015 respondents. The total annual burden on the public for this information collection is 2,676,932 hours.

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