

Rules and Regulations

Federal Register

Vol. 62, No. 58

Wednesday, March 26, 1997

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DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Parts 415 and 457

General Crop Insurance Regulations; Forage Production Crop Insurance Regulations; and Common Crop Insurance Regulations; Forage Production Crop Insurance Provisions

AGENCY: Federal Crop Insurance Corporation, USDA.

ACTION: Final rule.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) finalizes 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 the insured, include the current forage production crop insurance regulations with the Common Crop Insurance Policy for ease of use and consistency of terms, add an optional forage production winter coverage endorsement, and to restrict the effect of the current forage production crop insurance regulations to the 1997 and prior crop years.

EFFECTIVE DATE: April 25, 1997.

FOR FURTHER INFORMATION CONTACT: Richard Brayton, Insurance Management Specialist, Research and Development, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926-7730.

SUPPLEMENTARY INFORMATION:

Executive Order No. 12866

The Office of Management and Budget (OMB) has determined this rule to be

exempt for the purposes of Executive Order No. 12866, and, therefore, this rule has not been reviewed by OMB.

Paperwork Reduction Act of 1995

Following publication of the proposed rule, the public was afforded 60 days to submit written comments, data, and opinions on information collection requirements previously approved by OMB under OMB control number 0563-0003 through September 30, 1998. No public comments were received.

Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates 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. 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. The effect of this regulation on small entities will be no greater than on larger 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 must also annually certify to the previous years production if adequate records are available to support the certification. The producer must maintain the production records to support the certified information for at

least three years. This regulation does not alter those requirements.

The amount of work required of the insurance companies 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 published at 7 CFR part 11 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

On Friday, September 13, 1996, FCIC published a proposed rule in the **Federal Register** at 61 FR 48416-48420

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 and supersede the current provisions for insuring forage production found at 7 CFR part 415 (Forage Production Crop Insurance Regulations). FCIC also amends 7 CFR part 415 to limit its effect to the 1997 and prior crop years.

Following publication of the proposed rule, the public was afforded 60 days to submit written comments, data, and opinions. A total of 19 comments were received from the crop insurance industry and FCIC. The comments received, and FCIC's responses, are as follows:

Comment: A representative of FCIC and the crop insurance industry questioned the definition of "Air-dry forage", which references eighteen percent moisture as the basis for converting forage to an air-dry equivalent. The commenters recommended that this adjustment should be based on thirteen percent moisture as specified in the current loss adjustment procedure.

Response: FCIC agrees with the comments and has amended the provisions accordingly.

Comment: A representative of FCIC recommended changing the definition of "Forage" to allow insurance coverage for non-grass forage species other than alfalfa and red clover (e.g., birdsfoot trefoil).

Response: FCIC agrees with the comment and has amended the definition to allow insurance coverage for other species listed in the Actuarial Table.

Comment: The crop insurance industry recommended adding the words "and quality" after the words "providing the quantity" in the definition of "Irrigated practice."

Response: FCIC agrees water quality is an important issue. However, since no standards or procedures have been developed to measure water quality for insurance purposes, quality cannot be included in the definition. Therefore, no change has been made.

Comment: The crop insurance industry recommended that section 3 "Insurance Guarantees, Coverage Levels, and Prices," be changed to read, "* * * select only one price percentage * * *". The commenter stated this change would shorten the provision because language regarding

varieties having different maximum prices would no longer be necessary.

Response: The methods used to select price elections vary between insurance providers. While some require selection of a percentage, others require selection of a specific dollar amount. The suggested change will not work in all circumstances. Therefore, no change has been made.

Comment: A representative of FCIC and the crop insurance industry stated that section 6 "Report of Acreage" should not require separate acreage reports for acreage insured under the Forage Production Winter Coverage Endorsement and for all other insurable forage acreage. The commenter believes that only one acreage report should be required.

Response: Fall planted acreage is eligible for coverage under the Forage Production Winter Coverage Endorsement the first and subsequent crop years following year of establishment. 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 that is not eligible for coverage under the endorsement. Therefore, separate fall and spring acreage reports are necessary to timely determine the liability and premium when insurance attaches. Therefore, no change has been made.

Comment: The crop insurance industry raised concern with the provision contained in section 7(a)(2) that requires the forage crop be planted for harvest as livestock feed in order for coverage to attach. The commenters questioned the insurability of forage being used for a purpose other than livestock feed. For example, a new biomass plant utilizes a portion of the forage to burn for electrical energy production in addition to producing livestock feed. Producers may contract part of their forage to be burned and use the remainder of production for livestock feed. They questioned whether the acreage contracted to be burned would be considered insurable and how APH and loss adjustment procedure would be affected.

Response: Any forage planted for harvest other than for livestock feed is not insurable. No procedures or provisions have been developed to provide coverage for forage intended to be harvested as other than livestock feed. FCIC will consider this issue for future use. Therefore, no change has been made.

Comment: The crop insurance industry questioned the provisions contained in section 7(a)(3) "Insured Crop" regarding the insurability of fall

seeded forage. The commenters stated that, in some areas, it is common for fall seeded forage to establish a better stand than forage seeded prior to July 1 of the same year. They asked if such cases could be insured by written agreement (following a favorable crop inspection) the next year (currently the "year of establishment" by definition) instead of having to wait until the following year.

Response: The forage production crop insurance program is designed to provide coverage the year following the year the forage stand is established. In general, forage planted after June 30 takes longer to establish an acceptable stand than forage planted prior to June 30. Currently there are no procedures in place to evaluate the quality or adequacy of the stand during the year of establishment to determine insurability of the stand. Therefore, no change has been made.

Comment: The crop insurance industry questioned section 7(b)(3) "Insured Crop", why the ability to insure an overage stand of forage by written agreement is eliminated. The commenter stated that many overage fields have the ability to produce in excess of the approved APH yield and that not all producers keep separate records of the overage stands, which will be a problem if the overage stands are no longer insurable. The commenter suggested providing an option to insure all forage, including overage acreage, with a premium surcharge or a reduced yield based on a factor multiplied by the average APH yield.

Response: Research indicates that overage forage stand density decreases with time. As stand density decreases forage production decreases significantly. The Special Provisions will specify at what age the forage stand is no longer eligible for insurance coverage. FCIC agrees that the concept of insuring overage stands with a premium surcharge or reduced yield should be studied to determine if premium surcharges or factors to reduce the APH yield can be developed. Therefore, no change has been made.

Comment: The crop insurance industry recommended that section 12(d) "Written Agreements," should not state that written agreements are valid for only one year (perhaps refer to the date specified in the agreement instead). The commenter recommended that written agreements should be continuous, unless there are significant changes in the farming operation.

Response: Written agreements are intended to change policy terms or permit insurance in unusual situations where such changes will not increase risk. If such practices continue year to

year, they should be incorporated into the policy or Special Provisions. It is important to keep non-uniform exceptions to the minimum and to ensure that the insured is well aware of the specific terms of the policy. Therefore, no change has been made.

Comment: A representative of FCIC questioned the addition of the Forage Production Winter Coverage Endorsement, stating that in areas with little or no winter damage risk, it increases the complexity of the program by requiring further explanation to producers, separate rates, acreage reports and dates, which has no true benefit to producers. The commenter stated that Risk Management Agency should be putting considerable efforts into developing a program that truly meets producers needs (i.e. quality adjustment, etc.).

Response: The current regulations allow winter coverage as part of the basic policy, which affects the premium rates for all insureds even though not all insureds use this coverage. This endorsement will allow winter protection for only insureds who elect the winter coverage and only those electing the endorsement will pay premium for the winter coverage. FCIC agrees that the concept of developing a program which fits all producer needs, such as quality adjustment, etc., should be studied to determine if procedures for other program improvements can be developed. Therefore, no change has been made.

Comment: The crop insurance industry stated that in many states the acreage of forage is very small, resulting in small premiums and expensive administration costs. Producers who choose not to purchase the winter endorsement will have even smaller premiums, making the policy less attractive to deliver. The commenter suggested that FCIC consider offering a forage Group Risk Plan (GRP) program in all states and counties, which has been suggested by the crop insurance industry and FCIC simplification work groups.

Response: The GRP forage program is currently offered in a few selected states and counties. Expanding the GRP forage program to all states and counties is under consideration. However, no decision has been rendered at this time. If such expansion occurs, the forage production producer will have the option to be insured under the GRP plan or the current forage production crop provisions. Therefore, no change has been made.

Comment: The crop insurance industry stated that most forage production policyholders purchased the

insurance because of the winter coverage. They recommended that insureds be allowed to exclude winter coverage in return for a reduced premium rate.

Response: The current regulations allow winter coverage as part of the basic policy, which affects the premium rates for all persons who insure forage production. Now, only those producers who elect the Forage Production Winter Coverage Endorsement will have to pay the premium for such coverage. Therefore, no change has been made.

Comment: The crop insurance industry expressed concern with the extra work and expense that would be required to have winter coverage begin in the fall. The commenter stated that inspections should be required in the spring because winter inspections are difficult if there is snow on the ground.

Response: Crop inspections for fall planted forage must be made in the fall if the winter coverage endorsement is elected to ensure that such acreage is insurable before insurance attaches. Therefore, no change has been made.

List of Subjects in 7 CFR Parts 415 and 457

Crop insurance, Forage production crop insurance regulations, Forage production.

Final Rule

Accordingly, for the reasons set forth in the preamble, the Federal Crop Insurance Corporation hereby amends 7 CFR parts 415 and 457 effective for the 1998 and succeeding crop years, to read as follows:

PART 415—FORAGE PRODUCTION CROP INSURANCE REGULATIONS

1. The authority citation for 7 CFR part 415 is revised to read as follows:

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

2. The subpart heading preceding § 415.1 is revised to read as follows:

Subpart—Regulations for the 1986 Through 1997 Crop Years

3. Section 415.7 is amended by revising the introductory text of paragraph (d) to read as follows:

§ 415.7 The application and policy.

* * * * *

(d) The application for the 1986 and succeeding crop years is found at subpart D of part 400, General Administrative Regulations (7 CFR 400.37, 400.38). The provisions of the Forage Production Insurance Policy for the 1986 through 1997 crop years are as follows:

* * * * *

PART 457—COMMON CROP INSURANCE REGULATIONS; REGULATIONS FOR THE 1994 AND SUBSEQUENT CONTRACT YEARS

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

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

5. Sections 457.117 and 457.127 are added to read as follows:

§ 457.117 Forage production crop insurance regulations.

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

FCIC policies:

Department of Agriculture

Federal Crop Insurance Corporation

Reinsured policies:

(Appropriate title for insurance provider)

Both FCIC and reinsured policies:

Forage Production Crop Insurance 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 13 percent 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, or other species 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 are those recognized by the Cooperative State Research, Education, and 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 APH 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 this 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. The year of establishment for spring planted forage is designated by the calendar year in which seeding occurred. The year of establishment for fall planted forage 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, in which case you may select one price election for each forage type designated in the Special Provisions. 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 of the maximum price election for a specific type, you must also choose 100 percent 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, for acreage not insured under the Forage Production Winter Coverage Endorsement 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 insured acreage for each type, by its respective production guarantee;
- (2) Multiplying each result in section 11(b)(1) by the respective price election you selected;
- (3) Totaling the results of each crop type in section 11(b)(2);
- (4) Multiplying the total production to be counted of each type, if applicable, (see section 11(c)) by the respective price election you selected;
- (5) Totaling the results of each crop type in section 11(b)(4);
- (6) Subtracting the result in section 11(b)(5) from the result in section 11(b)(3); and
- (7) Multiplying the result in section 11(b)(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 and:
 - (A) 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) 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:

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, D.C., on March 19, 1997.

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

[FR Doc. 97-7655 Filed 3-25-97; 8:45 am]

BILLING CODE 3410-FA-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 95-ANE-41; Amendment 39-9972; AD 97-06-15]

RIN 2120-AA64

Airworthiness Directives; General Electric Company CF34 Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to General Electric Company CF34 series turbofan engines, that reduces the allowable operating cyclic life limit for affected high pressure compressor (HPC) stage 1 rotor disks. This amendment is prompted by an updated stress and life analysis. The actions specified by this AD are intended to prevent HPC stage 1 rotor disk rupture, engine failure, and damage to the aircraft.

DATES: Effective May 27, 1997.

FOR FURTHER INFORMATION CONTACT: Eugene Triozzi, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803-5299; telephone (617) 238-7148, fax (617) 238-7199.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to General Electric Company (GE) CF34 series turbofan engines was published in the **Federal Register** on December 18, 1995, (60 FR 65035). That action proposed to reduce the allowable operating cyclic life limit for affected high pressure compressor (HPC) stage 1 rotor disks.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were received on the proposal or the FAA's determination of the cost to the public. The FAA has determined that air safety and the public interest require the adoption of the rule as proposed.