

# Notices

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

## DEPARTMENT OF AGRICULTURE

### National Agricultural Research, Extension, Education, and Economics Advisory Board; Notice of Stakeholder Listening Session

**AGENCY:** Research, Education, and Economics, USDA.

**ACTION:** Notice of stakeholder listening session.

**SUMMARY:** In accordance with the Federal Advisory Committee Act (Pub. L. No. 92-463), the United States Department of Agriculture, the National Agricultural Research, Extension, Education, and Economics Advisory Board announces a stakeholder "listening session" in the North Central Region on priority setting and performance assessment for agricultural research, education, and economics. This meeting is scheduled in conjunction with the Joint meeting of the North Central Regional Association of State Agricultural Experiment Station Directors and the Council on Agricultural Research, Extension and Teaching (CARET).

**SUPPLEMENTARY INFORMATION:** The National Agricultural Research, Extension, Education, and Economics Advisory Board (referred to hereafter as the Advisory Board) will hear views from university senior officials and other stakeholder interest groups on research priorities and USDA's performance planning, as part of an ongoing effort to obtain input from diverse stakeholder interest groups on critical issues in food and agriculture. The Advisory Board Chair, Executive Director, and several Advisory Board members will represent the Board at this "listening session."

Approximately 50 individuals are expected to participate in the "listening session," which will be held at the Ramada University Hotel and Conference Center, Columbus, Ohio, on July 17, 1997, from 8:30 a.m. to 12 noon.

Panelists from the North Central Region will present statements to the Advisory Board on national priorities for agricultural research, education, extension, and economics, and on measures for assessing performance and outcomes of Federally-funded research and education.

Statements by these stakeholders will be based, in part, on the draft Research, Education, and Economics (REE) Strategic Plan for the mission area and the draft REE and Cooperative State Research, Education, and Extension Service (CSREES) Performance Plans.

Comments presented at this North Central Region "listening session" will be carefully considered by the 30-member Advisory Board as they develop final recommendations to the Under Secretary for Research, Education, and Economics on the USDA Strategic and Performance Plans, prior to USDA's submission of the plans and budget to the Office of Management and Budget (by September 30, 1997).

**Dates:** July 17, 1997, 8:30 a.m.-noon.

**Place:** Ramada University Hotel and Conference Center, Columbus, Ohio.

**Type of Meeting:** Open to the public.

**Comments:** The public may file written comments before or after the "listening session" with the contact person listed below.

**FOR FURTHER INFORMATION CONTACT:** Deborah Hanfman, Executive Director, National Agricultural Research, Extension, Education, and Economics Advisory Board Office, Room 3918 South, U.S. Department of Agriculture, STOP: 2255, 1400 Independence Avenue, SW, Washington, DC 20250-2255. Telephone: 202-720-3684.

Done at Washington, DC, this 12th day of June 1997.

**Catherine E. Woteki,**

*Acting Under Secretary, Research, Education, and Economics.*

[FR Doc. 97-16372 Filed 6-20-97; 8:45 am]

BILLING CODE 3410-22-M

## DEPARTMENT OF AGRICULTURE

### Federal Crop Insurance Corporation

#### Revenue Assurance

**ACTION:** Notice of availability.

**SUMMARY:** In accordance with section 508(h) of the Federal Crop Insurance Act (Act), the Federal Crop Insurance

Corporation (FCIC) Board of Directors (Board) approves the insurance of corn and soybeans in select states and counties under the Revenue Assurance plan of insurance. This notice is intended to inform eligible producers and the private insurance industry of the availability of the Revenue Assurance plan of insurance and its terms and conditions.

**FOR FURTHER INFORMATION CONTACT:** Timothy Hoffmann, Director, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, Missouri, 64131, telephone, (816) 926-7387.

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

In accordance with the Act, the Board approved a program of insurance known as Revenue Assurance, originally submitted by Farm Bureau Mutual Insurance Company.

The Revenue Assurance program has been approved for reinsurance and premium subsidy, including subsidy for administrative and operating expenses. Revenue Assurance is designed to protect a producer's loss of revenue resulting from low prices, low yields, or a combination of both. The Revenue Assurance policy provides coverage on basic units, optional units, enterprise units, or whole-farm units as selected by the producer.

The Revenue Assurance program is available for corn and soybeans in all counties of Iowa beginning with the 1997 crop year.

Upon a written request, FCIC will provide the Revenue Assurance underwriting rules, rate factors and forms for corn and soybeans. FCIC will also make available the terms and conditions of the Revenue Assurance reinsurance agreement. Requests for such information should be sent to Timothy Hoffmann, at the above stated address.

FCIC herewith gives notice of the availability of the Revenue Assurance program of insurance for use by private

sector insurance companies for the 1997 crop year.

Notice: The terms and provisions for the Revenue Assurance program of insurance are as follows:

#### Revenue Assurance Insurance Policy

This policy is reinsured by the Federal Crop Insurance Corporation (FCIC) under the provisions of section 508(h) of the Federal Crop Insurance Act, as amended 7 U.S.C. 1508(h). The provisions of the policy may not be waived or varied in any way by the crop insurance agent or any other agent or employee of the company. In the event we cannot pay your loss, your claim will be settled in accordance with the provisions of this policy and paid by the FCIC. No state guarantee fund will be liable to pay your loss. Throughout this policy, "you" and "your" refer to the named insured shown on the accepted application and "we", "us" and "our" refer to the Company. Unless the context indicates otherwise, use of the plural form of a word includes the singular and use of the singular form of the word includes the plural.

Agreement to Insure: In return for the payment of the premium, and subject to all of the provisions of this policy, we agree with you to provide the insurance as stated in this policy. If a conflict exists among the Basic Provisions, 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.

#### Basic Provisions—Terms and Conditions

##### 1. Definitions

As used in this policy these terms are defined as follows:

**Abandon**—Failure to continue providing sufficient care (For example, cultivation, irrigation, fertilization, application of chemicals, etc., consistent with good farming practices) for the insured crop to make normal progress toward harvest or maturity, or failure to harvest in a timely manner if harvest is practicable.

**Acreage report**—A report required by section 7 of these Basic Provisions which contains, in addition to other required information, your report of your share of all acreage of an insured crop in the county whether insurable or not insurable. This report must be filed not later than the final acreage reporting date contained in the Special Provisions for the county for the insured crop.

**Acreage reporting date**—The date (contained in the Special Provisions) by

which you are required to submit your acreage report.

**Act**—The Federal Crop Insurance Act, as amended, 7 U.S.C. 1501 *et seq.*

**Another use, notice of**—The written notice required when you wish to put acreage to another use (see section 15).

**Application**—The form required to be completed by you and accepted by us before insurance coverage will commence. This form must be completed and filed in your agent's office not later than the sales closing date of the initial insurance year for each crop for which insurance coverage is requested. If a break in insurance coverage occurs, a new application must be filed.

**Approved yield**—The average amount of production per acre obtained under the Actual Production History Program (7 CFR part 400, subpart G) using production records of the insured or yields assigned by FCIC. At least four crop years of yields must be averaged to obtain the approved yield.

**Assignment of indemnity**—A transfer of policy rights, made on our form, and effective when approved by us. It is the arrangement whereby you assign your right to an indemnity payment to any party of your choice for the crop year.

**Cancellation date**—The calendar date specified in section 3(b) on which the policy will automatically renew unless canceled in writing by either you or us.

**Claim for indemnity**—A claim made on our form by you for damage or loss to an insured crop and submitted to us not later than 60 days after the end of the insurance period (see section 15).

**Consent**—Approval in writing by us allowing you to take a specific action.

**Contract**—(also see "Policy") A contract for insurance between you and us consisting of the accepted Application, these Basic Provisions, the Crop Provisions, and the Special Provisions.

**Contract change date**—The calendar date by which we make any contract (policy) changes available for inspection in the agent's office (see section 5).

**County**—The political subdivision of a state shown on your accepted application, including land in a field that extends into an adjoining county when the county boundary is not readily discernible.

**Coverage level percent (CLP)**—The percent determined by dividing the selected per-acre revenue guarantee (see section 1 of the Crop Provisions) by the expected per-acre revenue (see section 1 of the Crop Provisions) rounded to hundredths. The maximum allowable coverage level percent is 75 and the minimum allowable is 65. This coverage level percent is expressed in decimal

form (.xxxx) to compute the per-acre revenue guarantee for all units and is expressed as a percent (xx.xx) to compute the premium subsidy factor.

**Coverage begins, date**—The calendar date insurance begins on the insured crop, as contained in the Crop Provisions, or the date after planting is started on the unit (see section 12).

**Crop provisions**—The part of the policy that contains the specific provisions of insurance for each insured crop.

**Crop year**—The period within which the insured crop is normally grown and designated by the calendar year in which the insured crop is normally harvested.

**Damage**—Injury, deterioration, or loss of production of the insured crop due to insured or uninsured causes.

**Damage, notice of**—A written notice required to be filed in your agent's office whenever you initially discover the insured crop has been physically damaged to the extent that a loss is probable (see section 15).

**Delinquent account**—Any account you have with us in which premiums, or interest on those premiums is not paid by the termination date specified in the crop provisions, or any other amounts due us, such as indemnities found not to have been earned, which are not paid within 30 days of our mailing or other delivery of notification to you of the amount due.

**Earliest planting date**—The earliest date established for planting the insured crop and qualifying for a replant payment if applicable (see Special Provisions and section 14).

**End of insurance period, date of**—The date upon which your crop insurance coverage ceases for the crop year (see Crop Provisions and section 12).

**FSA**—The Farm Service Agency of the United States Department of Agriculture (formerly the Agricultural Stabilization and Conservation Service), or a successor agency.

**FSA Farm Serial Number**—The number assigned to the farm by the FSA County Committee.

**Insured**—The named person as shown on the Application accepted by us. This term does not extend to any other person having a share or interest in the crop (for example, a partnership, landlord, or any other person) unless specifically indicated on the accepted application (see definition of "Person" section 1).

**Insured crop**—The crop defined under these Basic Provisions and the applicable Crop Provisions as shown on the application accepted by us.

**Loss, notice of**—The notice required to be given by you not later than 72

hours after certain occurrences or 15 days after the end of the insurance period (see section 15).

**MPCI**—Multiple peril crop insurance program, a program of insurance offered under the Act and implemented in 7 CFR part 400.

**Negligence**—The failure to use such care as a reasonably prudent and careful person would use under similar circumstances.

**Person**—An individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a State or a political subdivision or agency of a State.

**Policy**—(also see "Contract") A contract for insurance between you and us consisting of the accepted Application, these Basic Provisions, the Crop Provisions, and the Special Provisions.

**Practical to replant**—Our determination, after loss or damage to the insured crop, based on factors including, but not limited to moisture availability, condition of the field, and time to crop maturity, that replanting to the insured crop will allow the crop to attain maturity prior to the calendar date for the end of the insurance period. It will not be considered practical to replant after the end of the late planting period unless replanting is generally occurring in the area.

**Premium billing date**—The earliest date upon which you will be billed for insurance coverage based on your acreage report and which generally falls at or near harvest time.

**Premium calculator**—The computer software for the crop year which shows coverage levels, premium rates, practices, acreage, and other related information regarding Revenue Assurance in the county.

**Production report**—A written record showing your annual production and used by us to determine your yield for insurance purposes (see section 4). The report contains previous years yield information including planted acreage and harvested production. This report must be supported by written verifiable records from a warehouseman or buyer of the insured crop or by measurement of farm stored production, or by other records of production approved by us on an individual case basis.

**Reporting date**—The acreage reporting date (contained in the Special Provisions) by which you are required to report all your insurable acreage in the county in which you have a share and your share at the time insurance attaches, and any acreage in which you have a share which is not insured (see section 10).

**Representative sample**—Portions of the insured crop or insured crop residue which are required to remain in the field for examination and review by our loss adjusters when making a crop appraisal if required by the crop provisions. The samples are further defined in the crop provisions.

**Revenue guarantee**—The guaranteed dollar amount on an insured unit. (See section 2 of the Crop Provisions.)

**Sales closing date**—The date contained in the Special Provisions which is the final date when an application may be filed. This is the last date for you to make changes in your crop insurance coverage for the crop year.

**Section (for the purposes of unit structure)**—A unit of measure under a rectangular survey system describing a tract of land usually one mile square and usually containing approximately 640 acres.

**Share**—Your percentage of interest in the insured crop as an owner, operator, or tenant at the time insurance attaches. However, only for the purpose of determining the amount of indemnity, your share will not exceed your share at the earlier of the time of loss, or the beginning of harvest. Unless the accepted application clearly indicates that insurance is requested for a partnership or joint venture, or is intended to cover the landlord's, or tenant's share of the crop (see section 11(b)), insurance will cover only the share of the person completing the application. The share will not extend to any other person having an interest in the crop except as may otherwise be specifically allowed in this policy. We may consider any acreage or interest reported by or for your spouse, child or any member of your household to be included in your share. A lease containing provisions for *both* a minimum payment (such as a specified amount of cash, bushels, pounds, *etc.*) and a crop share will be considered a crop share lease. A lease containing provisions for *either* a minimum payment or a crop share will be considered a cash lease.

**Special Provisions**—The part of the policy that contains specific provisions of insurance for each insured crop that may vary by geographic area.

**State**—The state shown on your accepted application.

**Summary of coverage**—Our statement to you, based upon your acreage report, by unit, specifying the insured crop and the Revenue Guarantee.

**Tenant**—A person who rents land from another person for a share of the crop or a share of the proceeds of the

crop (see the definition of "Share" in section 1).

**Termination date**—The calendar date contained in the Crop Provisions upon which your policy ceases for nonpayment of premium or any other amount due us under the policy.

#### Unit:

(a) **Basic unit**—A basic unit is established in accordance with section 2 (a).

(b) **Optional unit**—An optional unit is established from basic units in accordance with section 2(b).

(c) **Enterprise unit**—An enterprise unit is established from basic units. An enterprise unit consists of all insurable acreage of corn or soybeans in the county in which you have a share on the date coverage begins for the crop year.

(d) **Whole-farm unit**—A whole-farm unit is established from enterprise units. A whole-farm unit is all insurable acreage of corn and soybeans in the county in which you have a share on the date coverage begins for the crop year.

#### 2. Unit Structure

(a) **Basic unit**—All insurable acreage of the insured crop in the county on the date coverage begins for the crop year:

(1) in which you have a 100 percent share; or

(2) which is owned by one entity and operated by another specific entity on a share basis. (For example, if, in addition to the land you own, you rent land from five landlords, three on a crop share basis and two on a cash basis, you would be entitled to four units, one for each crop share lease and one for the two cash leases and the land you own). Land rented for cash, a fixed commodity payment, or a consideration other than a share in the insured crop on such land will be considered as owned by the lessee (see "Share" section 1).

(b) **Optional unit**—Unless limited by the Special Provisions, a basic unit may be divided into optional units if, for each optional unit you meet all the conditions of this section. All optional units must be reflected on the acreage report for each crop year. There is a premium surcharge for optional units. The following requirements must be met for each optional unit:

(1) You must have records, which can be independently verified, of planted acreage and production for each optional unit for at least the last crop year used to determine your Revenue Guarantee;

(2) You must plant the crop in a manner that results in a clear and discernible break in the planting pattern at the boundaries of each optional unit;

(3) You must have records of marketed production or measurement of

stored production from each optional unit maintained in such a manner that permits us to verify the production from each optional unit, or the production for each unit must be kept separate until after loss adjustment is completed; and

(4) Each optional unit must meet one or more of the following criteria as applicable:

(A) Optional Units by Section, Section Equivalent, or FSA Farm Serial Number: Optional units may be established if each optional unit is located in a separate legally identified section. In the absence of sections, we may consider parcels of land legally identified by other methods of measure including, but not limited to: Spanish grants, railroad surveys, leagues, labors, or Virginia Military Lands as the equivalent of sections for unit purposes. In areas which have not been surveyed using the systems identified above or another system approved by us, or in areas where such systems exist but boundaries are not readily discernable, each optional unit must be located in a separate farm identified by a single FSA farm serial number.

(B) Optional Units on Acreage Including Both Irrigated and Non-Irrigated Practices: In addition to, or instead of, establishing optional units by section, section equivalent, or FSA farm serial number, optional units may be based on irrigated acreage or non-irrigated acreage if both are located in the same section, section equivalent, or FSA farm serial number. To qualify as separate irrigated and non-irrigated optional units, the non-irrigated acreage may not continue into the irrigated acreage in the same rows or planting pattern. The irrigated acreage may not extend beyond the point at which your irrigation system can deliver the quantity of water needed to produce the yield on which your Revenue Guarantee is based, except the corners of a field in which a center-pivot irrigation system is used will be considered as irrigated acreage if separate acceptable records of production from the corners are not provided. If the corners of a field in which a center-pivot irrigation system is used do not qualify as a separate non-irrigated optional unit, they will be a part of the unit containing the irrigated acreage. However, non-irrigated acreage that is not a part of a field in which a center-pivot irrigation system is used may qualify as a separate optional unit provided that all requirements of this section are met.

(5) Basic units may not be divided into optional units on any basis (production practice, type, variety, planting period, etc.) other than as described under this section.

(6) If you do not comply fully with these provisions, we will combine all optional units that are not in compliance with these provisions into the basic unit from which they were formed. We will combine the optional units at any time we discover that you have failed to comply with these provisions. If failure to comply with these provisions is determined to be inadvertent, and all the optional units are combined, the premium paid for the purpose of electing optional units will be refunded to you.

(c) Enterprise unit—Selecting an enterprise unit entitles you to receive a discount on your basic unit premium.

(d) Whole-farm unit—Selecting a whole-farm unit entitles you to receive a discount on your enterprise unit premium.

(e) Exclusivity Between Units—If you select whole-farm unit coverage then you cannot select any other unit structure. You may select enterprise coverage for one crop and enterprise coverage for the other crop or basic and/or optional unit coverage for the other crop.

### *3. Life of Policy, Cancellation, and Termination*

(a) This policy will be in effect for the 1997 and 1998 crop years only. After acceptance of the application, you may not cancel this policy in the initial crop year. For the 1998 crop year, the policy will continue in force unless canceled or terminated as provided below.

(b) Either you or we may cancel this policy after the initial crop year by providing written notice to the other on or before the cancellation and termination date of March 15.

(c) All policies issued by us under the authority of the Act will terminate as of the coincidental or next termination date if any amount due us is not paid on or before the termination date for the crop on which the amount is due. Such unpaid debts will also make you ineligible for any crop insurance provided under the Act until payment is made. If we deduct any amount due us from an indemnity, the date of payment for the purpose of this paragraph will be the date you sign the properly completed claim for indemnity.

(d) If you die, disappear, or are judicially declared incompetent, or if you are an entity other than an individual and such entity is dissolved, the policy will terminate as of the date of death, judicial declaration, or dissolution. If such event occurs after coverage begins for any crop year, the policy will continue in force through the crop year and terminate at the end of the insurance period and any

indemnity will be paid to the person or persons determined to be beneficially entitled to the indemnity. Death of a partner in a partnership will dissolve the partnership unless the partnership agreement provides otherwise. If two or more persons having a joint interest are insured jointly, death of one of the persons will dissolve the joint entity.

(e) You are not eligible to participate in the Revenue Assurance program if you are identified in the Non-Standard Classification system.

(f) If you execute a High Risk Land Exclusion Option for a Revenue Assurance policy, you may elect to insure the "high risk land" under a Catastrophic Risk Protection Endorsement. If both policies are in force, the acreage of the crop covered under the Revenue Assurance policy and the acreage covered under the Catastrophic Risk Protection Endorsement will be considered as separate crops for insurance purposes including the payment of administrative fees.

### *4. Insurance Coverage*

(a) For each crop year, the revenue per acre will be determined for each insured unit as shown on your summary of coverage. The information necessary to determine those amounts will be contained in the premium calculator.

(b) You may select only one coverage level offered by us for each insured crop. By written notice to us you may change the coverage level for the following crop year not later than the sales closing date for the affected insured crop. If you do not change the coverage level for the succeeding crop year you will be assigned the same coverage level that was in effect the previous crop year.

(c) You must report production to us for the previous crop year by the earlier of the acreage reporting date or 45 days after the cancellation date. If you do not provide the required production report, we will assign a yield for the previous crop year. The yield assigned by us will not be more than 75 percent of the yield used by us to determine your coverage for the previous crop year. The production report or assigned yield will be used to compute your approved yield for the purpose of determining your coverage for the current crop year. If you have filed a claim for any crop year, the production used to determine the indemnity payment will be the production report for that year.

(d) We may revise your Revenue Guarantee for any farm unit, and revise any indemnity paid based on that Revenue Guarantee, if we find that your

production report under section 4(c) above:

- (1) is not supported by written verifiable records; or
- (2) fails to accurately report actual production.

#### 5. Contract Changes

We may change the coverage under this policy from year to year. Your crop insurance agent will have changes in policy provisions, premium rate structures, and program dates by December 31. In addition, you will be notified, in writing, of these changes. Such notification will be made at least 30 days prior to the cancellation date of the insured crop.

#### 6. Liberalization

If we adopt any revisions which would broaden the coverage under this policy subsequent to the contract change date without additional premium, the broadened coverage will apply.

#### 7. Report of Acreage

(a) An annual acreage report must be submitted to us on our form for each insured crop in the county on or before the acreage reporting date shown in the Special Provisions. This report must include the following information, if applicable:

- (1) all acreage of the crop (insurable and not insured) in which you have a share;
- (2) quarter section, section, township, and range for each line item in each unit;
- (3) your share at the time coverage begins;
- (4) the practice;
- (5) the type; and
- (6) the date the insured crop was planted.

(b) If you do not have a share in any insured crop in the county for the crop year, you must submit an acreage report so indicating.

(c) Because incorrect reporting on the acreage report may have the effect of changing your premium and any indemnity which may be due, you may not revise this report after the acreage reporting date without our consent.

(d) We may elect to determine all premiums and indemnities based on the information you submit on the acreage report or upon the factual circumstances which we determine to have actually existed.

(e) If you do not submit an acreage report by the acreage reporting date, or if you fail to report all units, we may elect to determine by unit the insurable crop acreage, share, type and practice or deny liability on any unit.

(f) If the information reported by you on the acreage report for a unit results in a lower premium than the actual premium determined to be due on the basis of the share, acreage, practice, type or other material information determined to actually exist, the Revenue Guarantee on the unit will be reduced proportionately. In the event that acreage is under-reported, all production from insurable acreage for the unit, whether or not reported as insurable, will be considered production to count in determining the indemnity.

(g) Errors in reporting units may be corrected by us to reduce our liability and to conform to applicable unit division guidelines at the time of adjusting a loss.

#### 8. Annual Premium

(a) The annual premium is earned and payable at the time coverage begins. You will be billed for premium due not earlier than the billing date specified in the Special Provisions. The premium due, plus any accrued interest, will be considered delinquent if any amount due us is not paid on or before the termination date.

(b) Any amount due us will be deducted from any replant payment or indemnity due you under the provisions of this policy.

(c) The annual premium is determined by multiplying the number of insured acres on each unit times the applicable per acre premium, times any applicable discount factor for enterprise unit coverage or whole-farm unit coverage, or any applicable surcharge factor for optional unit coverage, times the premium subsidy factor.

(1) See section 3 of the Crop Provisions for the applicable discount or surcharge factors.

(2) The per acre premium for a basic unit is calculated by the premium calculator. The premium subsidy factor depends upon the coverage level. The premium subsidy factor is given by the following equation: premium subsidy factor =  $1 - (2.965 - (.0574 \times \text{CLP}) + (.00028 \times \text{CLP}^2))$ . CLP is expressed as a percent (xx.xx) in this formula. The premium subsidy will not exceed that which is available under a comparable MPCI policy.

#### 9. Insured Crop

(a) The insured crop will be that shown on your accepted application and as specified in the Crop Provisions and must be grown on insurable acreage.

(b) A crop which will NOT be insured will include, but will not be limited to, any crop:

(1) if the farming practices carried out are not in accordance with the farming practices for which the premium rates and revenue guarantees have been established;

(2) of a type, class or variety established as not adapted to the area or excluded by the Special Provisions;

(3) that is a volunteer crop;

(4) that is a second crop following the same crop (insured or not insured) harvested in the same crop year unless specifically permitted by the Crop Provisions or the Special Provisions;

(5) which is planted for the development or production of hybrid seed or for experimental purposes, unless permitted by the Crop Provisions; or

(6) used for wildlife protection or management.

#### 10. Insurable Acreage

(a) Acreage planted to the insured crop in which you have a share is insurable unless it is acreage:

(1) on which a crop has not been planted or harvested in at least one of the three previous crop years, unless FSA classifies such acreage as cropland;

(2) which has been strip-mined;

(3) on which the insured crop is damaged and it is practical to replant the insured crop, but the insured crop is not replanted;

(4) which is planted with a crop other than the insured crop, unless allowed by the Crop Provisions; or

(5) which is otherwise restricted by the Crop Provisions or Special Provisions.

(b) If insurance is provided for an irrigated practice, you must report as irrigated only that acreage for which you have adequate facilities and water, at the time coverage begins, to carry out a good irrigation practice.

(c) If acreage is irrigated and we do not provide a premium rate for an irrigated practice, you may either report and insure the irrigated acreage as "nonirrigated," or report the irrigated acreage as not insured.

(d) We may restrict the amount of acreage which we will insure to the amount allowed under any acreage limitation program established by the United States Department of Agriculture if we notify you of that restriction prior to the sales closing date.

#### 11. Share Insured

(a) You may only insure your share (see definition of share in section 1).

(b) You as a landlord (or tenant) may insure your tenant's (or landlord's) share of the crop if evidence of the other party's approval of that insurance is demonstrated (Lease, Power of Attorney,

etc.). The respective shares must be clearly set out on the acreage report and a copy of the other party's approval must be retained by us.

#### 12. Insurance Period

Coverage begins the later of: the date you submit your application, when the insured crop is planted, or on the calendar date for the beginning of the insurance period if specified in the Crop Provisions, and ends at the earliest of:

- (a) total destruction of the insured crop on the unit;
- (b) harvest of the unit;
- (c) final adjustment of a loss on a unit;
- (d) the calendar date for the end of the insurance period contained in the Crop Provisions;
- (e) abandonment of the crop on the unit; or
- (f) as otherwise specified in the Crop Provisions.

#### 13. Causes of Loss

The insurance provided is against only unavoidable loss of revenue directly caused by specific causes of loss contained in the Crop Provisions. All other causes of loss, including but not limited to the following, are NOT covered:

- (a) negligence, mismanagement, or wrongdoing by you, any member of your family or household, your tenants, or employees;
- (b) the failure to follow recognized good farming practices for the insured crop;
- (c) water contained by any governmental, public, or private dam or reservoir project;
- (d) failure or breakdown of irrigation equipment or facilities; or
- (e) failure to carry out a good irrigation practice for the insured crop if applicable.

#### 14. Replanting Payment

(a) If allowed by the Crop Provisions, a replanting payment may be made on an insured crop replanted after we have given consent and the acreage replanted is at least the lesser of 20 acres or 20 percent of the insured acreage for the unit (as determined on the final planting date). The 20 acres or 20 percent requirement is to be applied for each crop in a whole farm unit.

(b) No replanting payment will be made on acreage:

- (1) on which our appraisal establishes that revenue will exceed 90 percent of the Revenue Guarantee, set by the Crop Provisions, divided by your share;
- (2) initially planted prior to the date established by the Special Provisions; or
- (3) on which one replanting payment has already been allowed for the crop year.

(c) The replanting payment per acre will be your actual cost for replanting, but will not exceed the amount determined in accordance with the Crop Provisions.

(d) If the information reported by you on the acreage report results in a lower premium than the actual premium determined to be due based on the acreage, share, practice, or type determined actually to have existed, the replanting payment will be reduced proportionately.

(e) No replanting payment will be paid for replanting any crop if we determine it is not practical to replant (see section 1).

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

Your Duties:

- (a) In case of damage to any insured crop or loss of revenue you must:
  - (1) protect the crop from further damage by providing sufficient care;
  - (2) give us notice within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period), by unit, for each insured crop;
  - (3) leave representative samples intact for each field of the damaged unit as may be required by the Crop Provisions; and
  - (4) give us notice of expected revenue loss not later than 45 days after the date the county harvest price is published if your production multiplied by the county harvest price is less than the revenue guarantee.
- (b) You must obtain consent from us before, and notify us after you:
  - (1) destroy any of the insured crop which is not harvested;
  - (2) put the insured crop to an alternative use;
  - (3) put the acreage to another use; or
  - (4) abandon any portion of the insured crop.

We will not give such consent if it is practical to replant the crop or until we have made an appraisal of the potential production of the crop.

(c) In addition to complying with all other notice requirements, you must submit a claim for indemnity declaring the amount of your loss not later than 60 days after the end of the insurance period. This claim must include all the information we require to settle the claim.

- (d) Upon our request, you must:
  - (1) provide a complete harvesting and marketing record of each insured crop by unit including separate records showing the same information for production from any acreage not insured; and
  - (2) submit to examination under oath.

(e) You must establish the total production for the insured crop on the unit and that any loss of production has been directly caused by one or more of the insured causes (see Crop Provisions) during the insurance period.

(f) All notices required in this section that must be received by us within 72 hours may be made by telephone or in person to your crop insurance agent but must be confirmed in writing within 15 days.

Our Duties:

(a) If you have complied with all the policy provisions we will pay your loss within 30 days after:

- (1) we reach agreement with you; or
- (2) the entry of a final judgment by a court of competent jurisdiction.

(b) In the event we are unable to pay your loss within 30 days, we will give you notice of our intentions within the 30 day period.

(c) We may defer the adjustment of a loss until the amount of loss can be accurately determined. We will not pay for additional damage resulting from your failure to provide sufficient care for the crop during the deferral period.

(d) We recognize and apply the MPCIC loss adjustment procedures established or approved by the FCIC to determine production to count.

#### 16. Production Included in Determining Indemnities

(a) The total production to be counted for a unit will include all production determined in accordance with the Crop Provisions.

(b) The amount of production of any unharvested insured crop may be determined on the basis of our field appraisals conducted after the end of the insurance period.

#### 17. Crops as Payment

You must not abandon any crop to us. We will not accept any crop as compensation for payments due us.

#### 18. Arbitration

If you and we fail to agree on any factual determination, disagreement will be resolved in accordance with the rules of the American Arbitration Association. Failure to agree with any factual determination made by Federal Crop Insurance Corporation must be resolved pursuant to 7 CFR part 11.

#### 19. Access to Insured Crop and Record Retention

(a) We reserve the right to examine the insured crop as often as we reasonably require.

(b) For three years after the end of the crop year, you must retain, and provide upon our request, complete records of

the harvesting, storage, shipment, sale, or other disposition of all the insured crop produced on each unit. This requirement also applies to the records used to establish the basis for the production report for each unit. You must also upon our request, provide separate records showing the same information for production from any acreage not insured. We may extend the record retention period beyond three years by notifying you of such extension in writing. Your failure to keep and maintain such records may, at our option, result in:

- (1) cancellation of the policy;
- (2) assignment of production to units by us; or
- (3) a determination that no indemnity is due.

(c) Any person designated by us will, at any time during the record retention period, have access:

- (1) to any records relating to this insurance at any location where such records may be found or maintained; and
- (2) to the farm.

(d) By applying for insurance under the Act, or by continuing insurance previously applied for, you authorize us, or any person acting for us, to obtain records relating to the insured crop from any person who may have custody of those records including, but not limited to, county FSA offices, banks, warehouses, gins, cooperatives, marketing associations, accountants, etc. You must assist us in obtaining all records which we request from third parties.

(e) This policy will be considered a continuation of any prior MPC policy for actual production history purposes under 7 CFR part 400, subpart G. You need not resubmit production reports provided under the former policy.

#### 20. Other Insurance

##### (a) Other Like Insurance.

You must not obtain any other crop insurance issued under the authority of the Act, on your share of the insured crop. If we determine that more than one policy on your share is intentional, you may be subject to the fraud provisions under this policy. If we determine that the violation was not intentional, the policy with the earliest date of application will be in force and all other policies will be void. Nothing in this section prevents you from obtaining other insurance not issued under the Act.

##### (b) Other Insurance Against Fire.

If you have other insurance, whether valid or not, against damage to the insured crop by fire during the

insurance period we will be liable for loss for the smaller of:

- (1) the amount of indemnity determined pursuant to this policy without regard to any other insurance; or

- (2) the amount by which the loss is determined to exceed the indemnity paid or payable under such other insurance. For the purpose of this section, the amount of loss will be the reduction in revenue of the insured crop on the unit involved determined pursuant this policy.

#### 21. Conformity to Food Security Act

Although your violation of a number of federal statutes, including the Act, may cause cancellation, termination, or voidance of your insurance contract, you should be aware that your policy will be canceled if you are determined to be ineligible to receive benefits under the Act, due to violation of the Controlled Substance Provision (title XVII) of the Food Security Act of 1985 (Pub. L. 99-198) and the regulations promulgated under the Act by the United States Department of Agriculture. Your insurance policy will be canceled if you are determined, by the appropriate United States Government Agency, to be in violation of these provisions. We will recover any and all monies paid to you or received by you and your premium will be refunded less a reasonable amount for expenses and handling not to exceed 20 percent of the premium paid.

#### 22. Amounts Due Us

(a) Interest will accrue at the rate of 1.25 percent simple interest per calendar month, or any part thereof, on any unpaid amount due us. For the purpose of premium amounts due us, interest will start on the first day of the month following the premium billing date specified in the Special Provisions.

(b) For the purpose of any other amounts due us, such as repayment of indemnities found not to have been earned, interest will start on the date that notice is issued to you for the collection of the unearned amount. Amounts found due under this section will not be charged interest if payment is made within 30 days of issuance of the notice by us. The amount will be considered delinquent if not paid within 30 days of the date the notice is issued by us.

(c) All amounts paid will be applied first to expenses of collection, if any (see section 22(d)), second, to the reduction of accrued interest, and then to the principal balance.

(d) If we determine that it is necessary to contract with a collection agency or

to employ an attorney to assist in collection, you agree to pay all of the expenses of collection. Those expenses will be paid before the application of any amounts to interest or principal.

#### 23. Legal Action Against Us

(a) You may not bring legal action against us unless you have complied with all of the policy provisions.

(b) Your right to recover damages (compensatory, punitive, or other), attorney's fees, or other charges is limited or excluded by this contract or by Federal Regulations.

#### 24. Payment and Interest Limitations

(a) Under no circumstances will we be liable for the payment of damages (compensatory, punitive, or other), attorney's fees, or other charges in connection with any claim for indemnity, whether we approve or disapprove such claim.

(b) We will pay simple interest computed on the net indemnity ultimately found to be due by us or by a final judgment of a court of competent jurisdiction, from and including the 61st day after the date you sign, date, and submit to us the properly completed claim on our form. Interest will be paid only if the reason for our failure to timely pay is NOT due to your failure to provide information or other material necessary for the computation or payment of the indemnity. The interest rate will be that established by the Secretary of the Treasury under section 12 of the Contract Disputes Act of 1978 (41 U.S.C. 611), and published in the **Federal Register** semiannually on or about January 1 and July 1 of each year and may vary with each publication.

#### 25. Concealment, Misrepresentation or Fraud

This policy will be void in the event you have falsely or fraudulently concealed either the fact that you are restricted from receiving benefits under the Act, or that action is pending which may restrict your eligibility to receive such benefits. We will also void this policy if you or anyone assisting you has intentionally concealed or misrepresented any material fact relating to this or any other Federal Crop Insurance Corporation policy or reinsured policy. This voidance will not affect your obligation to pay premiums or waive any of our rights under this policy, including the right to collect any amount due us. The voidance will be effective as of the time coverage began for the crop year within which such act occurred.



## 26. Transfer of Coverage and Right To Indemnity

If you transfer any part of your share during the crop year, you may transfer your coverage rights. The transfer must be on our form and approved by us. Both you and the person to whom you transfer your interest are jointly and severally liable for the payment of the premium. The transferee has all rights and responsibilities under this policy consistent with the transferee's interest.

## 27. Assignment of Indemnity

You may assign to another party your right to an indemnity for the crop year. The assignment must be on our form and will not be effective until approved in writing by us. The assignee will have the right to submit all loss notices and forms as required by the policy.

## 28. Subrogation (Recovery of Loss From a Third Party)

Because you may be able to recover all or a part of your loss from someone other than us, you must do all you can to preserve this right. If we pay you for your loss, your right to recovery will, at our option, belong to us. If we recover more than we paid you plus our expenses, the excess will be paid to you.

## 29. Descriptive Headings

The descriptive headings of the various policy provisions are formulated for convenience only and are not intended to affect the construction or meaning of any of the policy provisions.

## 30. Notices

All notices required to be given by you must be in writing and received by your crop insurance agent within the designated time unless otherwise provided by the notice requirement. Notices required to be given immediately may be by telephone or in person and confirmed in writing. Time of the notice will be determined by the time of our receipt of the written notice. If the date by which you are required to submit a report or notice falls on Saturday, Sunday, or a Federal holiday, or, if your agent's office is, for any reason, not open for business on the date you are required to submit such notice or report, such notice or report must be submitted on the next business day. All notices and communications required to be sent by us to you will be mailed to the address contained in your records located with your Crop Insurance Agent. You should advise us immediately of any change of address.

## Revenue Assurance—Corn and Soybean Crop Provisions

This is a pilot risk management program. This risk management tool will be reinsured under the authority provided by the Federal Crop Insurance Act as amended.

### 1. Definitions

**County harvest price**—The price used to value production to count. It is the simple average of the daily posted county prices as published by USDA for each county. For corn, the county harvest price is the average of the daily posted county prices for corn in November of the crop year. For soybeans, the county harvest price is the average of the daily posted county prices for soybeans in October. The county harvest price will be calculated by FCIC by November 5 for soybeans and December 5 for corn.

**Expected per-acre revenue**—The approved APH yield times the projected county price.

**Final planting date**—The date contained in the Special Provisions for the insured crop by which the crop must initially be planted in order to be insured for the full unit revenue guarantee.

**Good farming practices**—The cultural practices generally in use in the county for the insured crop to make normal progress toward maturity and produce at least the yield used to determine the expected per-acre revenue, and are those recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the area.

**Harvest**—Combining, threshing, or picking the insured crop for grain.

**Interplanted**—Acreage on which two or more crops are planted in a manner that does not permit separate agronomic maintenance or harvest of the insured crop.

**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 unit revenue guarantee on the irrigated acreage planted to the insured crop.

**Late planted**—Acreage planted to the insured crop during the late planting period.

**Late planting period**—The period that begins the day after the final planting date for the insured crop and ends twenty-five (25) days after the final planting date.

**Maximum per-acre revenue guarantee**—The expected per-acre revenue times the coverage level percent (.7500).

**Minimum per-acre revenue guarantee**—The expected per-acre revenue times the coverage level percent (.6500).

**Planted acreage**—Land in which seed has been placed by a machine appropriate for the insured crop and planting method, at the correct depth, into a seedbed which has been properly prepared for the planting method and production practice. The crop must initially be planted in rows to be considered planted. Corn must be planted in rows far enough apart to permit mechanical cultivation. Planting in any other manner will be considered as a failure to follow recognized good farming practices and any loss of production will not be insured unless otherwise provided by the Special Provisions.

**Prevented planting**—Inability to plant the insured crop with proper equipment by the final planting date designated in the Special Provisions for the insured crop in the county or the end of the late planting period. You must have been unable to plant the insured crop due to an insured cause of loss that has prevented the majority of producers in the surrounding area from planting the same crop.

**Prevented planting guarantee**—The prevented planting guarantee for such acreage will be that percentage of the unit revenue guarantee for timely planted acres as set forth in section 11(d).

**Projected county price**—The price used to determine the unit revenue guarantee. Projected county prices represent our best projections—before planting—of the county harvest prices for corn and soybeans (see section 1). The first step in making these projections is to calculate the simple average of the final closing daily settlement prices in February on the Chicago Board of Trade (CBOT) December corn futures contract and November soybean futures contract for the current crop year. Projected county prices are found by subtracting county-specific adjustment factors from these average February CBOT prices. County adjustment factors reflect the historical difference between county harvest prices and CBOT futures prices in the harvest month. The county adjustment factors are known and fixed in January before planting. For corn, the county adjustment factor is the historical difference between county harvest prices for corn and the simple average of the final daily settlement prices in



November on the CBOT December corn futures contract. For soybeans, the county adjustment factor is the historical difference between county harvest prices for soybeans and the simple average of the final daily settlement prices in October on the November soybeans futures contract. The projected county prices will be calculated by FCIC by March 5 of the current crop year. The projected county prices for corn and soybeans in Pottawattamie County are the simple averages of the respective projected county prices for East and West Pottawattamie.

**Replanting**—Performing the cultural practices necessary to replace the seed of the same insured crop, and replacing the seed for the same crop in the insured acreage with the expectation of growing a successful crop.

**Selected per-acre revenue guarantee**—The per-acre dollar amount of revenue protection you select. This amount of revenue protection cannot be less than the minimum per-acre revenue guarantee nor more than the maximum per-acre revenue guarantee.

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

**Timely planted**—Planted on or before the final planting date designated in the Special Provisions for the insured crop in the county.

**Unit revenue guarantee**—The selected per-acre revenue guarantee, times the number of insured acres on the unit, times your share.

## 2. Revenue Guarantee

The unit revenue guarantee is determined using the following procedures for the different types of units. All information needed to calculate the applicable unit revenue guarantee is obtained from the premium calculator.

(a) Basic and optional unit revenue guarantee: A unit revenue guarantee (see section 1) is computed for each basic and optional unit. The coverage level (see section 1 of the Basic Provisions) for each crop unit must be the same.

(b) Enterprise unit revenue guarantee: For a corn enterprise unit, total the revenue guarantees for corn as if basic units and /or optional units had been selected in a county. For a soybean enterprise unit, total the revenue guarantees for soybeans as if basic and/or optional units had been selected in a county.

(c) Whole-farm unit revenue guarantee: Total the revenue guarantees for both corn and soybeans as if enterprise units had been selected in a

county. Only one coverage level (see section 1 of the Basic Provisions) can be selected for the whole-farm unit.

## 3. Annual Premium

The annual premium on a unit is determined using the following procedures for the different types of units. All information needed to calculate per-acre premiums are obtained from the premium calculator. The annual premium you pay equals the annual premium, times the premium subsidy factor (see section 8(c)(2) of the Basic Provisions).

(a) Basic units: The per-acre premium on a basic unit is found using the premium calculator. The annual premium for a basic unit equals the per-acre premium, times the number of insured acres on the unit, times your share.

(b) Optional units: The per-acre premium for an optional unit equals the premium from the premium calculator, times an optional unit surcharge factor. The optional unit surcharge factor equals 1.22 for corn and 1.30 for soybeans. The annual premium for an optional unit equals the per-acre premium for the optional unit, times the number of insured acres on the optional unit, times your share.

(c) Enterprise units: The annual premium for a corn enterprise unit is found by totaling the annual premiums for corn as if basic and/or optional units had been selected in a county, and then multiplying the total by the corn enterprise discount factor. The annual premium for a soybean enterprise unit is found by totaling the annual premiums for soybeans as if basic and/or optional units had been selected in a county, and then multiplying the total by the soybean enterprise discount factor. The corn and soybean enterprise discount factors vary with the number of legally defined sections on which the basic units reside. The enterprise unit discount factors are:

Number of sections	Corn discount factor	Soybeans discount factor
1 .....	1.00	1.00
2 .....	0.85	0.76
3 .....	0.81	0.69
4 .....	0.79	0.65
5 .....	0.775	0.61
6 .....	0.76	0.59
7 .....	0.75	0.58
8 .....	0.745	0.57
9 or more .....	0.74	0.56

(d) Whole-farm units: The annual premium on a whole-farm unit equals the sum of the annual premiums for corn and soybeans as if enterprise units

had been selected in a county, times the whole-farm discount factor. The whole-farm discount factor varies with the ratio of the total number of planted corn acres to the total number of planted corn acres and planted soybean acres in a county, rounded to the nearest tenth. The whole-farm unit discount factors are:

Ratio of planted corn acres to planted corn acres plus planted soybean acres	Whole-farm discount factor
0.0 .....	1.00
0.1 .....	0.92
0.2 .....	0.86
0.3 .....	0.82
0.4 .....	0.80
0.5 .....	0.80
0.6 .....	0.82
0.7 .....	0.85
0.8 .....	0.89
0.9 .....	0.94
1.0 .....	1.00

## 4. Insured Crop

(a) Corn—In accordance with section 9 (Insured Crop) of the Basic Provisions, the crop insured will be corn for which premiums are provided by the premium calculator:

- (1) In which you have a share;
- (2) That is adapted to the area based on days to maturity and is compatible with agronomic and weather conditions in the area;
- (3) That is not (unless allowed by the Special Provisions):
  - (i) Interplanted with another crop; or
  - (ii) Planted into an established grass or legume; and
- (4) That is planted for harvest as grain.

(b) In addition to the provisions of section 4(a), the corn crop insured will be all corn that is yellow dent or white corn, including mixed yellow and white, waxy, high-lysine corn, high-oil corn blends containing mixtures of at least ninety percent high yielding yellow dent female plants with high-oil male pollinator plants, commercial varieties of high-protein hybrids, and excluding:

- (1) High-amylose, high-oil except as defined in section 4(b), flint, flour, Indian, or blue corn, or a variety genetically adapted to provide forage for wildlife or any other open pollinated corn.
- (2) A variety of corn adapted for silage use when the corn is reported for insurance as grain.

(c) Soybeans—In accordance with section 9 (Insured Crop) of the Basic Provisions, the crop insured will be the soybean crop you elect to insure for which premiums are provided by the premium calculator:

- (1) In which you have a share;
- (2) That are adapted to the area based on days to maturity and is compatible with agronomic and weather conditions in the area; and
- (3) That are not:
  - (i) Interplanted with another crop; and
  - (ii) Planted into an established grass or legume; and
- (4) That are planted for harvest as beans.

#### 5. Insurable Acreage

In addition to the provisions of section 10 (Insurable Acreage) of the Basic Provisions, any acreage of the insured crop damaged before the final planting date, to the extent that the remaining stand will not produce at least 90 percent of an amount equal to the unit revenue guarantee divided by your share on the unit must be replanted unless we agree that replanting is not practical (see section 1). The price used to determine if 90 percent of the unit revenue guarantee can be achieved is the projected county price.

#### 6. Insurance Period

In accordance with the provisions under section 12 (Insurance Period) of the Basic Provisions, the calendar date for the end of the insurance period is the December 10 immediately following planting.

#### 7. Causes of Loss

Insurance is provided only against an unavoidable loss of revenue due to 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) Failure of the irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period; or
- (h) A decline in the county harvest price below the projected county price.

#### 8. Replanting Payments

(a) In accordance with section 14 (Replanting Payment) of the Basic Provisions, a replanting payment is allowed if the insured crop(s) on a unit was damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the unit revenue guarantee

divided by your share on the unit and it is practical to replant (see section 1).

(b) The maximum amount of the replanting payment per acre will be the lesser of 20 percent of the unit revenue guarantee divided by the number of insured acres on the unit or, for corn, an amount found by multiplying 8 bushels, times projected county price, times your share, or for soybeans, an amount equal to 3 bushels for soybeans, times projected county price, times your share.

(c) When more than one person insures the same crop on a share basis, a replanting payment based on the total shares insured by us may be made to the insured person who incurs the total cost of replanting. Payment will be made in this manner only if an agreement exists between the insured persons which:

- (1) Requires one person to incur the entire cost of replanting; or
- (2) Gives the right to all replanting payments to one person

(d) When the insured crop is replanted using a practice that is uninsurable as an original planting, the unit revenue guarantee will be reduced by the amount of the replanting payment which is attributable to your share. The premium amount will not be reduced.

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

In accordance with the requirements of section 15 (Duties in the Event of Damage or Loss) of the Basic Provisions, if you initially discover damage to any insured crop within 15 days of or during harvest, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 10 feet wide and extend the entire length of each field, and must not be harvested or destroyed until the earlier of our inspection or 15 days after harvest is completed.

#### 10. Settlement of Claim

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

- (1) For any optional unit, we will combine all optional units for which acceptable records of production were not provided; or
- (2) For any 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 using the following procedures:

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

(i) Multiplying the applicable county harvest price times the production to count on each unit (see section 10(c)–e below), times your share; and

(ii) Subtracting the result of section 10(b)(1)(i) from each unit revenue guarantee.

If the result of section 10(b)(1)(ii) is greater than zero, an indemnity equal to the result of section 10(b)(1)(ii) will be paid to you. If the result of section 10(b)(1)(ii) is less than or equal to zero, no indemnity will be paid.

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

(i) Multiplying the applicable crop county harvest price, times applicable crop production to count as if basic and/or optional units had been selected in a county, times your share;

(ii) Totaling the results of section 10(b)(2)(i); and

(iii) Subtracting the result of section 10(b)(2)(ii) from the enterprise unit revenue guarantee.

If the result of section 10(b)(2)(iii) is greater than zero, an indemnity equal to the result of section 10(b)(2)(iii) will be paid to you. If the result of section 10(b)(2)(iii) is less than or equal to zero, no indemnity will be paid. Under enterprise coverage you may not be eligible for an indemnity even if one of your basic units has a loss of revenue.

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

(i) For all corn in a county and for all soybeans in a county, multiply the applicable crop county harvest price, times applicable crop production to count as if enterprise units had been selected in a county, times your share;

(ii) Total the results of section 10(b)(3)(i) for all (corn and soybeans); and

(iii) Subtract the result of section 10(b)(3)(ii) from the whole-farm unit revenue guarantee.

If the result of section 10(b)(3)(iii) is greater than zero, an indemnity equal to the result of section 10(b)(3)(iii) will be paid to you. If the result of section 10(b)(3)(iii) is less than or equal to zero, no indemnity will be paid. Under whole-farm coverage you may not be eligible for an indemnity even if one (or more) of your basic units has a revenue loss.

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

(1) All appraised production as follows:

(i) Not less than the selected per-acre revenue guarantee (approved yield, times the coverage level, times the

projected county price) will be used for such acreage:

- (A) That is abandoned;
- (B) Put to another use without our consent;
- (C) Damaged solely by uninsured causes; or
- (D) For which you fail to provide records of production that are acceptable to us;
  - (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 10(d)); and
  - (iv) Potential production on insured acreage you want to put to another use or you wish to abandon and no longer care for, if you and we agree on the appraised amount of production. Upon such agreement the insurance period for that acreage will end if 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 crop production (excluding silage type or corn insured or harvested 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.
  - (1) Production will be reduced by 0.12 percent for each 0.1 percent age point of moisture in excess of:
    - (i) Fifteen percent for corn (If moisture exceeds 30 percent, production will be reduced 0.2 percent for each 0.1 percentage point above 30 percent; and
    - (ii) Thirteen percent 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; or
  - (B) 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; and
  - (iii) The samples are analyzed by a grader licensed under the authority of the United States Grain Standards Act or the United States Warehouse Act with regard to deficiencies in quality, or by a laboratory approved by us with regard to substances or conditions injurious to human or animal health. (Test weight for quality adjustment purposes may be determined by our loss adjuster.)
- (4) The crop grain production that is eligible for quality adjustment, as specified in sections 10(d) (2) and (3), will be reduced by the quality adjustment factor contained in the Special Provisions.
- (e) Any production harvested from plants growing in the insured crop may be counted as production of the insured crop on a weight basis.

#### *11. Late Planting and Prevented Planting*

(a) Insurance will be provided for acreage planted to the insured crop during the late planting period (see

section 11(c)), and acreage you were prevented from planting (see section 11(d)). These coverages provide reduced amounts of protection. The reduced guarantees will be combined with the unit revenue guarantee for timely planted acreage. The premium amount for late planted acreage and eligible prevented planting acreage will be the same as that for timely planted acreage. If the amount of premium you are required to pay for late planted acreage or prevented planting acreage exceeds the liability on such acreage, coverage for those acres will not be provided (no premium will be due and no indemnity will be paid for such acreage). For example, assume you insure one unit in which you have a 100 percent share. The unit consists of 150 acres, of which 50 acres were planted timely, 50 acres were planted 7 days after the final planting date (late planted), and 50 acres are unplanted and eligible for prevented planting coverage. To calculate the amount of any indemnity which may be due to you, the unit revenue guarantee for the unit will be computed as follows:

- (1) For timely planted acreage, multiply the unit revenue guarantee for timely planted acreage by the 50 acres planted timely;
- (2) For late planted acreage, multiply the unit revenue guarantee for timely planted acreage by 93 percent and multiply the result by the 50 acres planted late; and
- (3) For prevented planting acreage, multiply the unit revenue guarantee for timely planted acreage by:
  - (i) Fifty percent and multiply the result by the 50 acres you were prevented from planting if the acreage is eligible for prevented planting coverage, and if the acreage is left idle for the crop year, or if a cover crop is planted not for harvest. Prevented planting compensation hereunder will not be denied because the cover crop is hayed or grazed; or
  - (ii) Twenty-five percent and multiply the result by the 50 acres you were prevented from planting, if the acreage is eligible for prevented planting coverage, and if you elect to plant a substitute crop for harvest after the 10th day following the final planting date for the insured crop.

The total of the three calculations will be the unit revenue guarantee for the unit. Your premium will be based on the result of multiplying the applicable per-acre premium for timely planted acreage by the 150 acres in the unit.

(b) If you were prevented from planting, you must provide written notice to us not later than the acreage reporting date.

## (c) Late Planting.

(1) For acreage planted to the insured crop after the final planting date but on or before 25 days after the final planting date, the unit revenue guarantee for each acre will be reduced for each day planted after the final planting date by:

(i) One percent for the first through the tenth day; and

(ii) Two percent for the eleventh through the twenty-fifth day.

(2) In addition to the requirements of section 7 (Report of Acreage) of the Basic Provisions, you must report the dates the acreage is planted within the late planting period.

(3) If planting of the insured crop continues after the final planting date, or you are prevented from planting during the late planting period, the acreage reporting date will be the later of:

(i) The acreage reporting date contained in the Special Provisions for the insured crop; or

(ii) Five (5) days after the end of the late planting period.

(d) Prevented Planting (Including Planting After the Late Planting Period).

(1) If you were prevented from planting the insured crop (see section 1) you may elect:

(i) To plant the insured crop during the late planting period. The unit revenue guarantee for such acreage will be determined in accordance with section 11(c)(1);

(ii) Not to plant this acreage to any crop except a cover crop not for harvest. You may also elect to plant the insured crop after the late planting period. In either case, the unit revenue guarantee for such acreage will be 50 percent of the unit revenue guarantee for timely planted acres. For example, if your unit revenue guarantee for timely planted acreage is \$100 per acre, your prevented planting unit revenue guarantee would be \$50 per acre (\$100 multiplied by 0.50). If you elect to plant the insured crop after the late planting period, production to count for such acreage will be determined in accordance with section 10(b) through 10(e).

(iii) Not to plant the intended crop but plant a substitute crop for harvest, in which case:

(A) No prevented planting unit revenue guarantee will be provided for such acreage if the substitute crop is planted on or before the tenth day following the final planting date for the insured crop; or

(B) A unit revenue guarantee equal to 25 percent of the unit revenue guarantee for timely planted acres will be provided for such acreage, if the substitute crop is planted after the tenth day following the final planting date for

the insured crop. If you elected to exclude this coverage, and plant a substitute crop, no prevented planting coverage will be provided. You may elect to exclude prevented planting coverage when a substitute crop is planted for harvest and receive a reduction in the applicable premiums. If you wish to exclude this coverage, you must so indicate, on or before the sales closing date, on your application or on a form approved by us. Your election to exclude this coverage will remain in effect from year to year unless you notify us in writing on our form by the applicable sales closing date for the crop year for which you wish to include this coverage. All acreage of the crop insured under this policy will be subject to this exclusion.

(2) Proof may be required that you had the inputs available to plant and produce the intended crop with the expectation of at least producing an amount equal to the unit revenue guarantee divided by your share.

(3) In addition to the provisions of section 12 (Insurance Period) of the Basic Provisions, the insurance period for prevented planting coverage begins:

(i) On the sales closing date contained in the Special Provisions for the insured crop in the county for the crop year the application for insurance is accepted; or

(ii) For any subsequent crop year, on the sales closing date for the insured crop in the county for the previous crop year, provided continuous coverage has been in effect since that date. For example: If you make application and purchase insurance for corn for the 1997 crop year, prevented planting coverage will begin on the 1997 sales closing date for corn in the county. If the crop coverage remains in effect for the 1998 crop year (is not terminated or canceled during or after the 1997 crop year, except the policy may have been canceled to transfer the policy to a different insurance provider, if there is no lapse in coverage), prevented planting coverage for the 1998 crop year began on the 1997 sales closing date.

(4) The acreage to which prevented planting coverage applies will not exceed the total eligible acreage in which you have a share, adjusted for any reconstitution that may have occurred on or before the sales closing date. Eligible acreage is determined as follows:

(i) If you participate in any program administered by the United States Department of Agriculture that limits the number of acres that may be planted for the crop year, the acreage eligible for prevented planting coverage will not exceed the total acreage permitted to be planted to the insured crop.

(ii) If you do not participate in any program administered by the United States Department of Agriculture that limits the number of acres that may be planted, and unless we agree in writing on or before the sales closing date, eligible acreage will not exceed the greater of:

(A) The FSA base acreage for the insured crop, including acres that could be flexed from another crop, if applicable;

(B) The number of acres planted to the insured crop on the FSA Farm Serial Number during the previous crop year; or

(C) One hundred percent of the simple average of the number of acres planted to the insured crop during the crop years that you certified to determine your yield.

(iii) Acreage intended to be planted under an irrigated practice will be limited to the number of acres for which you had adequate irrigation facilities prior to the insured cause of loss which prevented you from planting.

(iv) Prevented planting coverage will not be provided for any acreage:

(A) That does not constitute at least 20 acres or 20 percent of the acreage in the unit, whichever is less (Acreage that is less than 20 acres or 20 percent of the acreage in the unit will be presumed to have been intended to be planted to the insured crop planted in the unit, unless you can show that you had the inputs available before the final planting date to plant and produce another insured crop on the acreage). The 20 acres or 20 percent requirement is to be applied for each crop in a whole farm unit;

(B) For which the premium calculator does not designate a premium;

(C) Used for conservation purposes or intended to be left unplanted under any program administered by the United States Department of Agriculture;

(D) On which another crop is prevented from being planted, if you have already received a prevented planting indemnity, guarantee for the same acreage in the same crop year, unless you provide adequate records of acreage and production showing that the acreage has a history of double-cropping in each of the last four years;

(E) On which the insured crop is prevented from being planted, if any other crop is planted and fails, or is planted and harvested, hayed or grazed on the same acreage in the same crop year, (other than a cover crop as specified in section 11(a)(3)(i), or a substitute crop allowed in section 11(a)(3)(ii)), unless you provide adequate records of acreage and production showing that the acreage has

a history of double-cropping in each of the last four years;

(F) For which planting history or conservation plans indicate that the acreage would have remained fallow for crop rotation purposes.

(v) For the purpose of determining eligible acreage for prevented planting coverage, acreage for all units will be combined and be reduced by the number of acres of the insured crop timely planted and late planted. For example, assume you have 100 acres eligible for prevented planting coverage in which you have a 100 percent share. The acreage is located in a single FSA Farm Serial Number which you insure as two separate optional units consisting of 50 acres each. If you planted 60 acres of the insured crop on one optional unit and 40 acres of the insured crop on the second optional unit, your prevented planting eligible acreage would be reduced to zero (i.e., 100 acres eligible for prevented planting coverage minus 100 acres planted equals zero).

(5) In accordance with the provisions of section 7 (Report of Acreage) of the Basic Provisions, you must report by unit any insurable acreage that you were prevented from planting. This report must be submitted on or before the acreage reporting date. For the purpose of determining acreage eligible for a prevented planting unit revenue guarantee the total amount of prevented planting and planted acres cannot exceed the maximum number of acres eligible for prevented planting coverage. Any acreage you report in excess of the number of acres eligible for prevented planting coverage, or that exceeds the number of eligible acres physically located in a unit, will be deleted from your acreage report.

Signed in Washington, D.C. on June 16, 1997.

**Kenneth D. Ackerman,**

Manager, Federal Crop Insurance Corporation.

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BILLING CODE 3410-08-P

## DEPARTMENT OF AGRICULTURE

### Forest Service

#### **Spruce Ecosystem Recovery Project, Dixie National Forest, Iron and Kane Counties, Utah**

**AGENCY:** Forest Service, USDA.

**ACTION:** Notice of Intent to prepare an environmental impact statement.

**SUMMARY:** Notice is hereby given that the Forest Service, USDA, will prepare an environmental impact statement

(EIS) for the Forest Service to implement several proposals within the Spruce Ecosystem Recovery Project area, on the Cedar City Ranger District, Dixie National Forest. These proposals include: (1) Commercial salvage, sanitation and density management timber harvest, and associated road construction/closures; (2) commercial and non-commercial regeneration treatments of aspen forests; (3) the establishment of defensible fire suppression zones; and, (4) management ignited prescribed fire. Multiple decisions may be issued upon completion of the analysis; however, the cumulative effects of all the proposed actions will be disclosed in the EIS. The purpose of these proposals is to initiate actions that would improve forest health and diversity, accelerate reforestation, and meet woody debris objectives within the project area. The project area is located approximately 15 miles east of Cedar City, Utah. The project would be implemented in accordance with direction in the Land and Resource Management Plan (LRMP, 1986) for the Dixie National Forest.

In addition to the management activities proposed to be implemented, an amendment to the LRMP is being proposed. This amendment is necessary in order to make the LRMP conform to the Regional Guide. The amendment is described below under Supplementary Information.

The agency gives notice that the environmental analysis process is underway. During the analysis process, an issue surfaced that warranted disclosure of effects under an EIS. This issue is the high degree of interest associated with the potential to alter the undeveloped character of a portion of the project area due to proposed road construction and vegetable management treatments.

Interested and potentially affected persons, along with local, state, and other federal agencies, are invited to participate in, and contribute to, the environmental analysis. The Dixie National Forest invites written input regarding issues specific to the proposed action.

**DATES:** Written comments to be considered in the preparation of the Draft Environmental Impact Statement (DEIS) should be submitted by July, 1997, which is at least 30 days following the publication of this notice in the **Federal Register**. The DEIS is expected to be available for review by August, 1997. The Record of Decision and Final Environmental Impact Statement are expected to be available by October, 1996.

**ADDRESSES:** Submit written comments to: District Ranger, Cedar City Ranger District, 82 North 100 East, P.O. Box 627, Cedar City, Utah 84721-0627; FAX: (801) 865-3791; E-mail: Brunswick\_Nancy/r4\_dixie@fs.fed.us.

#### **FOR FURTHER INFORMATION CONTACT:**

Direct questions about the proposed action and EIS to Phillip G. Eisenhauer, Project Environmental Coordinator, by mail at 82 North 100 East, P.O. Box 627, Cedar City, Utah 84721-0627; or by phone at (801) 865-3700; FAX: (801) 865-3791; E-mail: Brunswick\_Nancy/r4\_dixie@fs.fed.us.

**SUPPLEMENTARY INFORMATION:** The proposed projects are located in an analysis area of about 48,274 acres of National Forest System (NFS) lands. Approximately 24,926 acres of the project area are forested and 13,348 acres are non-forest. The proposed commercial conifer treatment areas were recently or are currently infested with spruce beetle (*Dendroctonus rufipennis*). Spruce beetle populations are at epidemic levels; they have killed thousands of spruce trees, on approximately 7,400 acres on the Cedar City Ranger District. In some sites where spruce was the dominant overstory, few live trees remain. Because spruce beetle populations have been expanding since the early 1990's, an additional 15,000 acres of spruce forest are at risk of beetle infestation.

The purpose of the project is to salvage the dead and dying Engelmann spruce and subalpine fir trees to recover wood products that would otherwise be lost, while still meeting desired resource objectives for standing dead and down tree material. Also, spruce dominated stands that are classified as moderate risk to spruce beetle infestation would be treated by commercial and non-commercial sanitation treatments to alter the forest conditions that contribute to this risk. These stands were previously thinned with an even aged silvicultural system to a residual basal area of about 130 square feet. Reducing the risk in these stands would provide the best opportunity to maintain a green, forested condition as well as maintain important resource values associated with maintaining spruce forests, such as old growth, wildlife habitat, and scenic quality near vistas and along scenic highway corridors.

More specifically, sanitation treatments would involve the removal of uninfested conifer trees of varying sizes in order to alter forest densities, species composition, and size class. Currently, stands in the moderate risk class contain about 130 square feet of basal area per