

United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation



Product  
Development  
Division

# COTTON LOSS ADJUSTMENT STANDARDS HANDBOOK

FCIC-25090 (05-1999)  
FCIC-25090-1 (07-1999)  
FCIC-25090-2 (02-2000)  
FCIC-25090-3 (01-2001)  
FCIC-25090-4 (03-2002)  
**FCIC-25090-5 (05-2003)**

**2003 and Succeeding Crop Years**



**UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C. 20250**

<b>FEDERAL CROP INSURANCE HANDBOOK</b>	<b>NUMBER:</b> 25090 (05-1999) 25090-1 (07-1999) 25090-2 (02-2000) 25090-3 (01-2001) 25090-4 (03-2002) 25090-5 (05-2003)
<b>SUBJECT:</b>  <b>COTTON LOSS ADJUSTMENT STANDARDS HANDBOOK 2003 AND SUCCEEDING CROP YEARS</b>	<b>DATE:</b> May 19, 2003
	<b>OPI:</b> Product Development Division
	<b>APPROVED:</b> /s/ Tim B. Witt  Deputy Administrator, Research and Development

**THIS HANDBOOK CONTAINS THE OFFICIAL FCIC-APPROVED LOSS ADJUSTMENT STANDARDS FOR THIS CROP FOR THE 2003 AND SUCCEEDING CROP YEARS. IN THE ABSENCE OF INDUSTRY-DEVELOPED, FCIC-APPROVED PROCEDURE FOR THIS CROP FOR 2003 AND SUCCEEDING CROP YEARS, ALL REINSURED COMPANIES WILL UTILIZE THESE STANDARDS FOR BOTH LOSS ADJUSTMENT AND LOSS TRAINING.**

**SUMMARY OF CHANGES/CONTROL CHART**

Major Changes: See changes or additions in text which have been **highlighted**. Three stars (\*\*\*) identify information that has been removed.

Changes for Crop Year 2003 (FCIC-25090-5) issued **May 2003:**

- A. Page 79, **EXHIBIT 3, RULES FOR SKIP-ROW PLANTING PATTERNS:** To comply with 2003 Crop Insurance Handbook, deleted table listing the rules from FSA Acreage Compliance Determinations Handbook for determining the area devoted to the crop for skip-row planting.
- B. Page 80, **EXHIBIT 3, VERIFYING ROW-WIDTHS AND PLANTING PATTERNS:** Inserted sentence to see **TABLE 4** for percent of acres planted to cotton. Deleted items A (1) & (2) as the information is obsolete. Changed lettering of remaining items.
- C. Page 83, **EXHIBIT 4, YIELD CONVERSION FACTORS FOR NONIRRIGATED SKIP-ROW PLANTING PATTERNS:** Added instructions for computing acreage report yield for non-irrigated skip-row planting pattern(s) to comply with 2003 Crop Insurance Handbook.
- D. Page 88, **EXHIBIT 4, TABLE 4 – ACRES CONSIDERED PLANTED BY FSA TABLE:** Updated to provide the new Farm Service Agency (FSA) percentage planting factors and examples of calculations.

**AUP & ELS COTTON LOSS ADJUSTMENT STANDARDS HANDBOOK**

**SUMMARY OF CHANGES/CONTROL CHART (Continued)**

Control Chart For: AUP & ELS Cotton Loss Adjustment Standards Handbook						
	SC Page(s)	TC Page(s)	Text Page(s)	Reference Material	Date	Directive Number
Remove	1-4			79-80	01-2001	FCIC-25090-3
				81-82	05-1999	FCIC-25090
				83-84	01-2001	FCIC-25090-3
				87-88	03-2002	FCIC-25090-4
Insert	1-2			79-80	05-2003	FCIC-25090-5
				81-82	05-2003	FCIC-25090-5
				83-84	05-2003	FCIC-25090-5
				87-88	05-2003	FCIC-25090-5
Current Index	1-2 3-4	1-2 3-4	1-4		05-2003	FCIC -25090-5
			5-10		02-2000	FCIC -25090-2
			11-12		03-2002	FCIC -25090-4
			13-24		05-1999	FCIC -25090
			25-26		03-2002	FCIC -25090-4
			27-30		05-1999	FCIC -25090
			31-32		02-2000	FCIC -25090-2
			33-36		03-2002	FCIC-25090-4
			37-38		02-2000	FCIC-25090-2
			39-40		05-1999	FCIC -25090
			41-42		07-1999	FCIC-25090-1
			43-44		05-1999	FCIC -25090
			45-48		07-1999	FCIC -25090-1
			49-52		05-1999	FCIC -25090
			53-60		07-1999	FCIC -25090-1
			61-62		05-1999	FCIC -25090
			63-66		07-1999	FCIC -25090-1
					05-1999	FCIC -25090
					02-2000	FCIC -25090-2
					03-2002	FCIC -25090-4
		02-2000	FCIC -25090-2			
		03-2002	FCIC -25090-4			
		02-2000	FCIC -25090-2			
		05-1999	FCIC -25090			
		05-2003	FCIC -25090-5			
		03-2002	FCIC -25090-4			
		05-2003	FCIC-25090-5			
		03-2002	FCIC-25090-4			

## **EXHIBIT 3**

### **RULES FOR SKIP-ROW PLANTING PATTERNS**

#### **1. GENERAL INFORMATION**

From the Definitions section of the Cotton (AUP) and ELS Cotton Crop Provisions, “Skip-row” means a planting pattern that:

- A. Consists of alternating rows of cotton and fallow land or land planted to another crop the previous fall; and
- B. Qualifies as a skip-row planting pattern as defined by the FSA or successor agency.

#### **2. FSA RULES**

The FSA Acreage Compliance Determinations Handbook (2CP) provides the methods of determining acreage of solid plant and skip-row cotton.

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## EXHIBIT 3

### 3. VERIFYING ROW-WIDTHS AND PLANTING PATTERNS

Adjusters are to **verify** the insured producer's reported and determined **row widths and planting patterns with the FSA rules** before determining percent of acres planted and that yield conversion factors have been applied correctly to approved yields when completing the claim for indemnity. **See TABLE 4 for percent of acres planted to cotton.** Use the following information when applying FSA rules.

\*\*\*

**A.** Nonirrigated and Irrigated Cotton. **IF the insured acreage is:**

- (1) **Nonirrigated cotton** and the skips in **any** skip-row planting pattern **do not meet** the qualifications according to FSA rules as a skip-row pattern **and** the entire area is considered devoted to the crop, **USE a yield conversion factor of 1.00 and the percent planted factor of 1.000.**
- (2) **Irrigated cotton** and the skips in **any** skip-row planting pattern **do not meet** the qualifications according to FSA rules as a skip-row pattern **and** the entire area is considered devoted to the crop, **USE the percent planted factor of 1.000.**

**For any acreage that was NOT defined and reported correctly on the acreage report according to FSA rules and this procedure, adjusters are to follow current procedure for revising acreage reports before and after the final acreage reporting date in subparagraph C.**

**B.** Establishing Planting Patterns Before and After the Final Planting Date

Occasions do occur when an insured initially plants cotton in a skip-row pattern OR a solid planted pattern, the crop is damaged or destroyed and the insured replants to a new (or different) planting pattern. **For acreage report and claim for indemnity purposes, the planting pattern established on the final planting date is used for determining acreage and yield.** Use the following examples and instruction for recording planting patterns OR changes in planting patterns occurring before OR after the final planting date.

(1) **EXAMPLE 1 - Before The Final Planting Date:**

The insured **initially plants** cotton in a skip-row planting pattern of 2 in X 1 out (40-inch rows), the acreage is damaged or destroyed and the insured **replants** acreage in a new planting pattern, solid planted (40-inch rows). On the final planting date, the new planting pattern of solid planted (40-inch rows) is the planting pattern established and is used to determine percent of acres planted and yield.

### EXHIBIT 3

(2) **EXAMPLE 2 - After The Final Planting Date:**

The insured's cotton planting pattern established and reported on the final planting date was 2 in X 1 out (40-inch rows), the acreage is damaged or destroyed and the

insured replants to a new planting pattern of solid planted (40-inch rows). **IF at a later date the insured files a claim for indemnity, the planting pattern established on the final planting date is retained for determining acreage and yield. Adjusters are to record the new planting pattern in the narrative of the claim form and explain.**

(3) **EXAMPLE 3 - Use Of FSA Certified Acres:**

**CAUTION is required** in the use of FSA certified acres to avoid overpayment or underpayment of indemnities. Adjusters are to compare the planting pattern row-width(s) reported for crop insurance purposes with the planting pattern row-width(s) certified at FSA, if available. A planting pattern could have been reported for insurance as a skip-row planting pattern, as in **EXAMPLE 2** above, and certified as solid planted at FSA. Since FSA requires the producer to report the planting pattern established at the time of certification, in this example the producer reported correctly to the insurer and FSA. Adjusters are to explain the reason for the difference in the Narrative of the claim form.

**For any acreage REPLANTED that was NOT defined and reported correctly, according to FSA rules AND the BEFORE or AFTER the final planting date examples above, adjusters are to revise the acreage report to correct the acreage and yield.**

**C.** Reporting Acreage and Production for APH

Acreage and production reported for APH purposes must also be reported according to the applicable FSA rules for skip-row planting patterns for the crop year.

**(RESERVED)**



**EXHIBIT 4**

**YIELD CONVERSION FACTORS  
FOR NONIRRIGATED SKIP-ROW PLANTING PATTERNS**

**1. GENERAL INFORMATION**

- A. Acreage determinations and qualifying skip-row planting patterns must agree with the FSA Rules and Verifying Row-widths and Planting Patterns in **EXHIBIT 3**.
- B. Refer to **TABLE 4** for Percent Planted Factors for 30 to 40-inch planting patterns.

**2. YIELD CONVERSION FACTOR TABLES**

To compute the acreage report yield for non-irrigated skip-row planting pattern(s) carried out, multiply the approved solid-planted yield from the APH form times the yield conversion factor for the qualifying skip-row planting pattern. Irrigated acreage does not qualify for skip-row yield conversion factors.

If the entire area is considered devoted to cotton (solid planted) by FSA, a yield conversion factor of 1.00 must be used. Use the following tables to convert qualifying non-irrigated skip-row cotton yields to a solid-planted basis:

\*\*\*

**TABLES**

**TABLE 1** - These factors apply to Arkansas, Louisiana, Missouri, and all states east of these states.

Planting Pattern <u>1/</u>	Yield Conversion Factor
Solid-planted or non-qualifying skip-row patterns as determined by FSA	1.00
2 planted X 1 skipped	1.33
2 planted X 1 narrow skip (40-40-24*)	1.23
2 planted X 1 narrow skip (38-38-26*)	1.25
2 planted X 2 skipped	1.50
2 planted X 4 or more skipped (fallowed rows) (2 X 4, 2 X 6, etc.)	1.67 <u>2/</u>
4 planted X 1 skipped	1.20
4 planted X 2 skipped	1.33
4 planted X 4 skipped	1.33 <u>2/</u>
6 planted X 1 skipped	1.14
6 planted X 2 or more skipped	1.20 <u>2/</u>
All Other	As computed below.

1/ Row widths are equal unless otherwise indicated.

2/ Factors limited by procedure.

\* Fallow strip (plus one-half row width on either side).

## EXHIBIT 4

For planting patterns of unequal row widths within the pattern, or row patterns other than those listed in **TABLE 1**, compute the yield conversion factor as follows:

- A. Divide the width in inches of the area skipped in the pattern (as defined by FSA) by the width in inches of the whole pattern, rounded to 2 decimals.
- B. Add 1.00 to the results obtained in item A.

**EXAMPLE:** 3 planted X 1 skipped (40" rows) =  $40 \div 160 = .25 + 1.00 = 1.25$

In some areas, mixed patterns are planted such as 4 planted X 1 skipped X 2 planted X 1 skipped. To calculate the factor for these patterns, determine the factor for each part (4 X 1 and 2 X 1) and compute a weighted factor based on the number of planted rows.

**EXAMPLE:** 4 X 1 X 2 X 1 (40" rows)  
 $4 \text{ X } 1 = 40 \div 200 = .20 + 1.00 = 1.20 \text{ X } 4 = 4.80$   
 $2 \text{ X } 1 = 40 \div 120 = .33 + 1.00 = 1.33 \text{ X } 2 = \underline{2.66}$   
 $7.46 \div 6 \text{ rows} = 1.24$

- C. The result of item B must not exceed:
  - (1) 1.67 for any pattern or part of a pattern of 1 planted row or 2 consecutive planted rows alternating with idle land.
  - (2) 1.45 for any pattern or any part of a pattern of 3 consecutive planted rows alternating with idle land.
  - (3) 1.33 for any pattern or part of a pattern of 4 consecutive planted rows alternating with idle land.
  - (4) 1.20 for any pattern or part of a pattern of 5 or 6 consecutive planted rows alternating with idle land.
  - (5) 1.00 for any pattern or a part of a pattern of 7 or more consecutive planted rows alternating with idle land.

**EXHIBIT 4**

**TABLE 3** - These factors apply to Kansas, Oklahoma, and all Texas counties for which **TABLE 2** does not apply. **NOTE:** < = less than

<b>Planting Pattern</b>	<b>Yield Conversion Factor</b>
Solid planted (solid drilled-62") or non-qualifying skip-row patterns as determined by FSA.	1.00
1 planted X 1 or more skipped 30" - 35"	1.14
1 planted X 1 or more skipped 36" - 62"	1.28
1 planted (38") X 1 skipped (34")	1.28
1 planted (< 30") X 1 skipped (< 30")	1.00
2 planted X 1 skipped (36" - 62")	1.33
2 planted X 1 skipped (30" - 35")	1.26
2 planted (30" - 62") X 1 skipped (< 30")	1.00
2 planted (30" - 35") X 1 skipped (36" - 62")	1.26
2 planted X 2 or more skipped (36" - 62")	1.50
2 planted X 2 or more skipped (30" - 35")	1.41
2 planted (30" - 34") X 2 skipped (35" - 62")	1.46
2 planted (35" - 62") X 2 skipped (30" - 34")	1.46
3 planted X 1 skipped (36" - 62")	1.31
3 planted X 2 or more skipped (36" - 62")	1.45
3 planted X 1 skipped (30" - 35")	1.20
3 planted X 2 or more skipped (30" - 35")	1.37
4 planted X 1 or more skipped (36" - 62")	1.28
4 planted X 2 or more skipped (36" - 62")	1.40
4 planted X 1 skipped (30" - 35")	1.14
4 planted X 2 or more skipped (30" - 35")	1.33
5 planted X 1 skipped (36" X - 62")	1.14
5 planted X 2 or more skipped (36"-62")	1.34
5 planted X 1 skipped (30" - 35")	1.07
5 planted X 2 or more skipped (30" - 35")	1.27

All other skip row patterns having 6 or more planted rows with 1 or more qualifying skip (fallow) row(s) will have the same factors as those shown in **TABLE 2**.

In some areas, mixed patterns are planted such as 3 X 2, 4 X 1, 2 X 2. To calculate yield conversion factor for these patterns, determine factor for each pattern (3 X 2, 4 X 1, & 2 X 2) and compute a yield conversion factor based on a simple average. If a pattern(s) (within a mixed pattern) does not qualify as a skip-row planting pattern as determined by FSA, 1.00 is used for that pattern.

**EXAMPLE:** 3 X 2, 4 X 1, 2 X 2 planted in 40" rows

$$\begin{aligned}
 3 \text{ X } 2 &= 1.45 \\
 4 \text{ X } 1 &= 1.28 \\
 2 \text{ X } 2 &= \underline{1.50} \\
 4.23 \div 3 &= 1.41
 \end{aligned}$$

**EXHIBIT 4**

**3. TABLE 4 - ACRES CONSIDERED PLANTED BY FSA TABLE**

<b>Cropping Definition</b>	<b>Row Width</b>	<b>Percent Planted to Cotton</b>
1 planted 1 skipped	40 inch	50.00%
1 planted 1 skipped	36 inch	55.56%
1 planted 1 skipped	32 inch	62.50%
1 planted 4 skipped	40 inch	20.00%
1 planted 4 skipped	36 inch	22.22%
1 planted 1 skipped Double at the Turn	36 or 40 inch	55.56%
2 planted 1 skipped 1 planted 1 skipped 1 planted	30 to 40 inch	66.67%
1 skipped 2 planted 1 skipped 2 planted 1 skipped 2 planted	30 to 40 inch	66.67%
4 planted 1 skipped 2 planted 1 skipped	30 to 40 inch	75.00%
2 planted 1 skipped 2 planted 1 skipped 2 planted 2 skipped	30 to 40 inch	60.00%
2 planted 1 skipped	30 to 40 inch	66.67%
2 planted 2 skipped	30 to 40 inch	50.00%
3 planted 1 skipped	30 to 40 inch	75.00%
4 planted 2 skipped	30 to 40 inch	66.67%
6 planted 2 skipped	30 to 40 inch	75.00%
8 planted 1 skipped	30 to 40 inch	88.89%
8 planted 2 skipped	30 to 40 inch	80.00%

**Note:** For all skip-row cotton (irrigated and non-irrigated), the acreage of cotton will be the planted portion of the field as defined by FSA (See Cotton AUP and ELS Crop Provisions). Contact the applicable county FSA office for the correct percent planted factor for any row widths and planting patterns or varying row widths and planting patterns not listed in this table.