

FEDERAL CROP INSURANCE CORPORATION DIRECTIVE		NUMBER: 24020 24020-01 (11-25)
SUBJECT: AMENDMENTS TO THE 1999 WRITTEN AGREEMENT HANDBOOK	DATE: November 27, 1998	
	OPI: Research and Development	
	APPROVED:	

1 PURPOSE

This handbook is amended to add standards and procedure to accept requests and issue written agreements for the Nursery policy 99-073.

2 EXPLANATION OF CHANGES

The requirements for submission of plant information to the Federal Crop Insurance Corporation Regional Service Offices for a written agreement and the underwriting requirements of those offices are contained herein.

DISTRIBUTION

Directors, Washington, D.C., Kansas City, Regional Service and Compliance Offices; National Appeals Division; and National Crop Insurance Services.

RESERVED

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(4) Not Intertilled Between Row (NIBR) Sunflowers

The Sunflower Seed Crop Provisions will allow insurance for sunflowers planted in rows which are not far enough apart to permit cultivation, if the practice is allowed in the Special Provisions of Insurance (Special Provisions), or if there is an approved written agreement.

NOTE: No written agreements will be authorized for land classified as high risk.

The RSO will also closely monitor the insurance experience of this practice to determine the required adjustments to rate or whether to provide a practice on the actuarial tables.

(5) Written Agreements for Nursery Crops (under Nursery Crop Provisions, 96-056 for the 1999 crop year only).

Underwriting Guidelines:

(a) The FCIC RSO's are authorized to expand the Eligible Plant List on an interim basis by issuing written agreements. Prior to issuing the written agreement, the FCIC RSO must collect the following information from a recognized nursery expert within the region to assess and determine the insurability of the recommended plants.

1 Scientific name and common name;

2 Type;

3 Zone and winter protection codes;

4 Special risks;

5 Temperature sensitivity;

6 Disease risk;

7 Supply (versus) demand;

8 Other concerns.

(b) The expert must not have a financial interest in any nursery eligible for nursery crop insurance and should be affiliated with a Land Grant University.

(c) To update the Eligible Plant List on a permanent basis, the FCIC RSO must attach the Nursery Plant Data form (see Exhibit 8) to a completed ACT-450 form and submit them to the Actuarial Documents Branch in accordance with the filing schedule for crops

with a June 30 contract change date.

- (d) A separate ACT-450 form must be completed for each Nursery Plant Data form used to request additions or other modifications for the listing.

(6) Written Agreements for Nursery Crops (under Nursery Crop Provisions 99-073) for the 1999 and succeeding crop years.

- (a) The deadline for submitting requests to the agent is the application date for new insureds and the cancellation date for carryover insureds. Refer to the CIH for additional information.

- (b) A written agreement is available only for plants not insurable under the Eligible Plant Listing and Price Schedule.

- (c) A completed FCI-5A Request for Actuarial Change Form must contain the following information:

- 1 Exact names of genus, species, subspecies, cultivar, (i.e., scientific name), common name, and plant or container sizes, as appropriate;

- 2 Practice (i.e., container or field grown);

- 3 County in which the nursery and plants are located;

- 4 One or more catalogs, at least one of which is from a third party, FCIC RSO determines is a *bona fide* and representative commercial wholesale price catalog containing price information for the requested plants. Additional catalog(s) may be requested by FCIC RSO.

- (d) The FCIC RSO will:

- 1 Verify the plant is not listed on the Eligible Plant Listing for the applicant's state, Eligible Plant Listings for any other state, or the Master List provided by the designated consultant.

- 2 Use the "Index of Garden Plants" by Mark Griffiths to verify the minimum hardiness zone for field grown plants.

- 3 Determine whether the catalogs provided with the request provides adequate information to price the plants and, if not, request additional catalog(s) or information.

- 4 Contact the designated consultant for assistance if the plant is not insurable under the Eligible Plant Listing or for other assistance.

- 5 The designated consultant will recommend suggestions or

provide assistance regarding:

- i Nomenclature;
- ii Plant type;
- iii Storage keys; and
- vi Price.

(e) In addition to the requirements listed in the Written Agreement Handbook Section 3G(a) and (b) the written agreement must contain all of the information:

- 1 Plant's botanical or commercial botanical name and common name;
- 2 Price, by practice, type and size;
- 3 Hardiness zones for each plant/practice; and
- 4 Storage key or minimum hardiness zone

(f) For any written agreement that is authorized, the FCIC RSO must forward copies of the catalog(s), price list(s), and the written agreement to the designated consultant.

(7) Strip-Mined Land

An insured may qualify for a written agreement on uninsurable strip-mined land if the productivity potential of the reclaimed strip-mined land is equivalent to similar non-strip mined land in the county. Evidence to consider in making this determination includes:

- (a) FSA aerial photographs;
- (b) Description of Reclamation Process Report;
- (c) Date reclamation completed;
- (d) Actual Production History; and
- (e) Soil Conservation Service (SCS) or Natural Resource and Conservation Service (NRCS) soil mapping (if available).

B Agreements Required to be Submitted by the Acreage Reporting Date (See Section 3B and Exhibit 7)

NOTE: Written agreements (1) - (3) are grouped under the High Risk Areas and Unrated Land (P/T/V) written agreement types in Exhibit 7.

- (1) Individual Rating of Flood-Prone Land

- (a) Land that is not class rated on the FCI-33, crop insurance actuarial map, may be individually rated in response to a request for actuarial change. The rate is offered by a written agreement.
 - (b) Land that is class rated may be individually rated in response to a request for actuarial change. A rate lower than the class-rate on the FCI-35, coverage and rate tables, may be issued by a written agreement.
 - (c) To determine a rate for land described on the request, the underwriter should consider the following:
 - 1 The class-rate listed on the FCI-35, or the probable class-rate if flood-history data is available and the land is unrated.
 - 2 The location of the insured's cropland as outlined on aerial photos.
 - 3 The severity of the flood-risk on the insured's cropland as determined from the SCS county soil surveys or from the county NRCS personnel.
 - 4 The presence of any flood-abatement measure between the cropland and the river, or practices that prevent or reduce overflows of the land from heavy rain(s).
 - 5 The individual's approved APH yield for the cropland.
 - 6 The individual's insurance experience.
 - (d) To rate the insured's cropland, refer to the Classification Standards Handbook (CSH) for rating instructions.
 - (e) Establish a rate for the highest coverage level available. Coverage differential factors will be used to determine rates for other coverage levels.
- (2) Undesignated Practice, Class (Type), or Variety
- Evaluate the request against acceptable farming practices, classes (types), and varieties for the area (see Section 3D(3) for requirements). If the request is approved, prepare a written agreement and establish a rate for the highest coverage level available. Coverage differential factors will be used to determine rates for other coverage levels. When authority is issued for a specific practice, class (type), and variety, all individual agreements relating to that specific use may be approved for requests meeting all applicable requirements contained in this handbook.
- (3) Unrated Land
- (a) Unrated Land

- 1 When producers request coverage for unrated land, establish a rate based on the risk involved. Review any available information pertaining to the crop production history. Estimate the frequency and severity of probable loss from all insured perils including the frequency and severity of a loss

WRITTEN AGREEMENT DEADLINES AND DOCUMENTATION					
TYPE OF AGREEMENT	REQUESTED AND SIGNED BY INSURED	RECEIVED IN RSO/INSURANCE PROVIDER	AUTHORIZED BY	SUBSEQUENT YEAR'S DEADLINE (REISSUED AGREEMENTS)	MINIMUM SUPPORTING DOCUMENTATION ₂
Practice (NIBR) of Sunflowers not on Actuarial Table	Sales Closing	Within 20 calendar days after Sales Closing	RMA RSO (Insurance Provider if specific underwriting guidelines for Insurance Providers have been issued by RMA RSO)	Sales Closing and Received by Insurance Provider within 20 calendar days	Refer to Special Provisions for evidence of adaptability and/or producer's production history requirements.
Small Grains or Crops where provided for in the Crop Provisions: (i) interplanted with another crop (ii) planted into an established grass or legume; or (iii) planted as a nurse crop.	15 calendar days after the Acreage Reporting date ₁	Within 20 calendar days after Acreage Reporting	RMA RSO	Acreage Reporting and Received in RMA RSO within 20 calendar days	Completed request for Actuarial Change Form/Written Agreement. Completed Crop Inspection report <u>1</u> .
Listing Reconsiderations for Peanuts and Tobacco	Acreage Reporting	Within 20 calendar days after Acreage Reporting	RMA RSO	Sales Closing and Received in RMA RSO within 20 calendar days.	Insured's classification for other practices or types in other counties. Production information for the insured and other entities in which the insured has participated. Legal description of land or FSN, FSA Aerial Photos or legible maps delineating field boundaries of planted or intended planted acreage of the crop.
Unrated Practice/Type/Variety	Acreage Reporting Inventory Reporting	Within 20 calendar days after Acreage Reporting	RMA RSO	Sales Closing and Received in RMA RSO within 20 calendar days.	Completed Request for Actuarial Change Form/Written Agreement, FSA Aerial Photos, Completed Crop Inspection Report, Evidence of adaptability of the practice or type for the area, & APH for P/T/V.
Unrated Plant Materials (Nursery-New Insureds) ----- Unrated Plant Materials Nursery-Carryovers	With Application ----- Cancellation Date	Within 20 calendar days after submission of Application ----- Within 20 calendar days after Cancellation Date	RMA RSO	Cancellation Date and Received in RMA RSO within 20 calendar days.	Completed FCI-5 Request for Actuarial Change and nursery growers published wholesale price catalog or price list.