

2007 FCIC 18010-01 Crop Insurance Handbook (CIH) Summary of Changes

Listed below are the changes to the CIH being made by slipsheets for 2007 that have the most significant impact. Minor changes and correction are not included in this listing. Refer to the actual 2006 CIH to identify clarifications/changes that have been made effective for 2007.

Reference	Description of additions, changes or clarifications:
Sec. 4C(1)(b)	Clarified that a landlord/tenant's share cannot be insured under another person's policy if the landlord/tenant has a policy for that crop/county.
Sec. 4C(1)(c)	Clarified that tribal ventures that do not meet the requirements for joint ventures will be treated a BIA trust for crop insurance policy processing purposes.
Sec. 4C(8)	Clarified that a successor-in-interest policy covers only the land previously insured under a single policy and that a successor-in-interest for a spouse or for an entity name change transfers all existing years of actual production history and non-actual/assigned yields.
Sec. 4C(10)	Incorporated MGR-06-004.
Sec. 4D(8)(j) <u>3</u>	Clarified that additional administrative fees will not be charged to the policyholder if PP payments are solely based on another crop.
Sec. 4F(2)(f) <u>4</u>	Clarified that acreage cannot be reinstated for insurance coverage after the insured notifies the agent that the acreage will be destroyed prior to harvest.
Sec. 4G	Updated Written Agreement Chart and related written agreement requirements.
Sec. 5B(4)	Removed blueberries as exception for the requirement to complete Producer's Pre-Acceptance Worksheet.
Sec. 6J(2)(j)	Removed paragraph with references to IBR/NIBR soybeans since they are no longer listed on any county actuarial documents
Sec. 6J(3)	Incorporated MGR-06-002 into cotton underwriting procedure.
Sec. 6J(4)	Clarified dry bean supporting production record requirements.
Sec. 6J(8)	Clarified for onions that field-run production must be adjusted to reflect the applicable grade standards specified in the policy.
Sec. 6J(11)	Updated peanut underwriting procedure and removed those procedures no longer applicable.
Sec. 6J(12)	Consolidated and clarified common record requirements for Central and Southern potatoes with Northern potatoes.
Sec. 6J(14)(d)	Removed paragraph with references to oil and non-oil types, which are not applicable to Canola/Rapeseed.
Sec. 6J(19)	Updated years for Tobacco (Guaranteed Production Plan in CT, MA, MD, PA) and removed those procedures no longer applicable.
Sec. 6J(20)	Removed procedures no longer applicable.
Sec. 6J(21)	Removed former paragraph 6J(21)(a) referencing FCI-32 Actuarial Classification Listings.
Sec. 7	Entire Section is included for convenience in slip-sheeting. Changes include incorporating R&D-05-039, clarification and corrections based upon comments from AIPs, NCIS and RMA.
Sec. 7D(1)	Changed inconsistent reference of "approved" to RMA RO "Determined" Yield in Section 7.
Sec. 7D(4)(b) <u>1</u>	Added acreage adjustments for significant reduction in stand.
Sec. 7E(2)	Clarification of processing acreage reports after AIPs reviews and/or RMA RO determined yields are issued, for YES answers to 22, 23 or NO to 24 on Producer's Pre-Acceptance Worksheets,
Sec. 7E(3)	Separated Item No. 11 into two parts: (a) for month and year planted and (b) month and year grafting or dehorning was completed.
Sec. 7F(1)(c)	Clarified and combined (1)(c) and 1(d).

Sec. 7F(2)	Added additional steps from R&D-05-039 including ON year adjustments in <u>c</u> and <u>d</u> . Added “special case” to yield indicators, for clarification and standardization.
Sec. 7F(2)(b) <u>1</u>	Clarified that table applies to alternate bearing & downward yield trending.
Sec. 7F(2)(b) <u>3</u>	Added RMA RO review and determined yield is required when AIP cannot determine high yield variability due to assigned yield(s).
Sec. 7F(2)(b) <u>4</u>	Clarified yield indicators, YA & CUP are based upon RMA RO requests.
Sec. 7F(2)(c)	Added procedure to include date grafting (or dehorning) was completed when determining leaf-year (age) and T-Yield.
Sec. 7F(3)(a) <u>2</u>	Replaced percent with excessive number.
Sec. 7G(2)	Added Producer’s Worksheet should be reviewed/corrected when completing Inspections. Added applicable form, for clarification when used for other plans such as Pecan Revenue.
Sec. 7H(1)	Clarified AIP reporting when YA(s) are adjusted for percent stand.
Sec. 7H(1)(c)	Consolidated and referenced prior procedure.
Sec. 7H(11)(b)	Added “special case” to yield indicator, and clarified reporting. Also corrected reference to H(1)(b).
Sec. 7I(1)	Added additional criteria for determining immature acreage and some procedure changed to table format.
Sec. 7I(a)(b)	Reformatted.
Sec. 7I(2)	Item No. 12 and 13 removed grafting; 13 added criteria for reporting; 18 clarified stand adjustments, added grafting adjustments.
Sec. 7I(3)	Added procedure for reporting age/year. Item No. 12 and 13 removed grafting, 23 added grafting and dehorning procedure in determining leaf year (age) and T-Yield.
Sec. 7 K(1)(a)	Removed <u>2-5</u> , and referenced crop provisions for insurability.
Sec. 7K(1)(b) <u>1</u>	Reformatted and combined prior K(2)(b) with prior K(1)(b) <u>3</u> , added use of prior uninsurable average yield(s) and added references.
Sec. 7K(1)(b) <u>2</u> <u>4</u>	Reformatted and combined prior K(2)(b) second paragraph with prior K(1)(b) <u>4</u> , added clarification for reporting and added references.
Sec. 7K(2)(b)	Changed yield descriptor TX to IX, for separate reporting purposes.
Sec. 7L(7)	Added pick records for grapes.
Sec. 8D(5)(b) <u>4</u>	Added key items the Orchard Inspectors and AIPs should consider for determining insurability.
Sec. 8D(6)(a-f)	Removed and replaced (a) with Irr and NI must be kept and reported separately, and added procedure for use of commingled worksheet
Sec. 10	The entire section is included for convenience in slipsheeting. Crop years have been updated to correspond to the 2007 crop year.
Sec. 10A(2)	Clarified that break in continuity procedures pertain to new insureds and that assigned yields pertain to carryover insureds.
Sec. 10A(3)	Clarified for Category C crops, how crop years that the insured did not have an interest in the insured crop are reported.
Sec. 10C(1)(a)	Updated the list of crops to agree with the crop names indicated on the current crop provisions. Clarified that separate written records of production from multiple units must be maintained if central drying/storage facilities are used and the types of acceptable records. Added field harvest records to the list of records.
Sec. 10C(1)(b)	Updated the list of crops to agree with the crop names indicated on the current crop provisions. Added that measurements of farm-stored production by an authorized person from an AIP, FSA or RMA are verifiable records.
Sec. 10C(2)	Clarified record requirements for production fed to livestock.
Sec. 10D(1)	Provided procedures for adjusting appraisals that exceed the maximum level yield edit when there is not a valid basis to increase the edit level.

Sec. 11	The entire section is included for convenience in slipsheeting. Clarified procedures for resolving disagreements with GFP decisions throughout section.
Sec. 11E	Clarified that an adverse decision made by the RMA RO while participating in a Large Claim Review may be appealed to NAD.
Sec. 11H(1)	Clarified that a dispute of a factual determination may be resolved through mediation. If resolution cannot be reached through mediation, or if the AIP and the insured do not agree to mediation, the disagreement must be resolved through arbitration.
Sec. 14A	Clarified which year's actual yields are to be reviewed in an APH review.
Sec. 14A(2)	Added list of crops with a five percent tolerance, added additional crops to the list of crops with a two percent tolerance.
Sec. 14B(2)(b)1a	Clarified that appraisals exceeding the maximum yield edit level are not acceptable unless they meet requirements in 14B(2)(b)1b.
Ex. 1	Updated chart.
Ex. 5	Added Reduced/Replaced Yield Descriptor AC, GC, VC and IX with description of condition when they are applicable. Added "or other characteristics" to AX, TX, and VX, along with removing condition now covered by IX from TX.
Ex. 7 1B(1)(a)	Clarified that landlords that share rent to multiple operators/tenants for the crop must have master yields by operator/tenant for all or standard APH applies.
Ex. 11	Added AMS price only are applicable for direct market that is insurable.
Ex. 12	Updated addresses and directors for RMA Regional Offices.
Ex. 15 6B	Clarified use of new yield descriptors.
Ex. 16 4Peaches	Corrections only, examples were not updated for 2007 with the exception of using new yield descriptor.
Ex. 17	The exhibit was revised to implement changes to the cotton skip-row yield conversion factors for counties to which Tables 2 and 3 apply.
Ex. 17 2, 5	Indicates that beginning with the 2007 crop year, cotton skip-row planting pattern codes and the applicable row widths must be reported through the Data Automation System (DAS).
Ex. 17 4	Provides instructions for making revisions to prior years' actual yields for counties to which Tables 2 and 3 apply.
Ex. 17 6	Modified Table 1, 2 and 3 by adding columns indicating percent planted factors and DAS skip-row codes.
Ex. 17 7A-D	Recalculated the Examples using the new skip-row yield factors.
Ex. 18	Corrected format.
Ex. 22 1D(6)(a)	Clarified procedures when barley is not insured in all counties that are covered by the malting barley contract.
Ex. 32	Incorporated MGR-05-022 and MGR-06-004.
Ex. 32 2G(1)	Added provisions allowing separate policies for spouses if criteria are met.
Ex. 32 7	Added information on Limited Liability Companies (LLC).
Ex. 38	Clarified that instead of submitting an organic plan and written certification by the date acreage is reported, the insured must have the organic plan and written certification available on the date the acreage is reported.

United States
Department of
Agriculture



**Risk
Management
Agency**

**Product
Administration
& Standards
Division**

**FCIC 18010
(6-05)**

**FCIC 18010-01
(6-06)**

2007 CROP INSURANCE HANDBOOK (CIH)

Underwriting and Actual Production History (APH)
Standards for Catastrophic (CAT), and Additional
Coverage Multiple Peril Crop Insurance (MPCI)
Contracts

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**U.S. DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250**

FEDERAL CROP INSURANCE CORPORATION DIRECTIVE		NUMBER: 18010-01 (6-06) 18010 (6-05)
SUBJECT: AMENDMENTS TO THE 2006 FCIC 18010 CROP INSURANCE HANDBOOK (CIH) FOR THE 2007 AND SUCCEEDING CROP YEARS	DATE: <i>June 26, 2006</i>	
	OPI: Product Administration and Standards Division	
	APPROVED: <i>Tim B. Witt /s/</i> Deputy Administrator, Product Management	

1 (SECTION 1) PURPOSE

To update and transmit clarifications to the 2006 FCIC 18010 Crop Insurance Handbook (CIH) for the 2007 crop year. The CIH provides the underwriting instructions for Multiple Peril Crop Insurance (MPCI) Policies insured at the CATASTROPHIC AND ADDITIONAL COVERAGE levels.

1A Effective Date. Upon approval.

1B Series Replaced.

B(1) The FCIC amendments dated June 2006 replaces the following issuance systems and individual directives published as:

(1)(a) Manager's Bulletin: MGR-06-004

(1)(b) Manager's Bulletin: MGR-05-022

(1)(c) R&D Bulletin: R&D-05-039

B(2) Conversion of the above issuances will take place upon receipt of these amendments.

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