



United States
Department of
Agriculture

Risk
Management
Agency

1400
Independence
Avenue, SW
Stop 0801
Washington, DC
20250-0801

BULLETIN NO.: MGR-09-004.1

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: William J. Murphy /s/ Michael Alston, for
Administrator

9-15-2009

SUBJECT: 2009 Crop Year Texas Citrus Fruit Claims

BACKGROUND:

On June 12, 2009, the Risk Management Agency (RMA) issued Manager's Bulletin MGR-09-004 that contained market prices for undamaged fresh Texas citrus fruit. These market prices were to be used for settling 2009 crop year fresh citrus fruit claims caused by excess rainfall from Hurricane Dolly in July 2008. However, approved insurance provider's (AIPs) have been unable to complete claims because final market prices for damaged citrus marketed as juice will not be available until May 2010.

The Texas Citrus Crop Provisions states in section 12. (e), "Where the actuarial documents provide, and you elect, the fresh fruit option, citrus fruit that is not marketable as fresh fruit due to insurable causes will be adjusted by: (1) Dividing the value per ton of the damaged citrus by the price of undamaged citrus fruit; and (2) Multiplying the result by the number of tons of such citrus fruit." When insured citrus fruit producers, who elected the fresh fruit option, sell damaged fresh fruit for juice, the juice price is the market price for such damaged fresh fruit to complete claims for indemnity.

RMA has been asked to provide a price for damaged fresh fruit sold for juice so insurance providers can settle claims.

ACTION:

Effective for the 2009 crop year only, Texas citrus fruit claims may be completed for insureds who elected the fresh fruit option by determining the value of damaged fresh fruit sold for juice as follows:



The Risk Management Agency Administers
And Oversees All Programs Authorized Under
The Federal Crop Insurance Corporation

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- (1) If the AIP and insured agree, use the citrus juice price per ton from area processors as the price of damaged fresh fruit when such price becomes available May, 2010; or
- (2) If the AIP and insured agree, use the juice price per ton from the prices listed below. If this option is selected, the insured must agree in writing to settle the claim using this price. AIPs must retain this agreement in the insured's claim file.

Divide the value of damaged fruit in item (1) or (2) above by the price for undamaged fruit and multiply the result by the number of tons of such citrus fruit.

2009 Crop Year Texas Citrus Price Per Ton for Damaged Citrus Production	
Citrus Crop	Price per Ton for Damaged Citrus Production
All Oranges	\$102.62
All Grapefruit	\$63.63

DISPOSAL DATE:

The bulletin will be effective until September 30, 2009