



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility
Mail Stop 0812
P.O. Box 419205
Kansas City, MO
64141-6205

December 26, 2012

INFORMATIONAL MEMORANDUM: PM-12-063

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

FROM: Tim B. Witt /s/ Jason E. Albright, for.
Deputy Administrator

SUBJECT: Florida Citrus Fruit Crop Provisions for the 2014 and Succeeding Crop
Years

BACKGROUND:

The Risk Management Agency (RMA) has revised the Florida Citrus Fruit Crop Provisions (14-0026) for the 2014 and succeeding crop years. The provisions were revised to: standardize terminology; allow the Florida Automated Weather Network (FAWN) reporting stations to be used as verification for excess wind; strengthen insurability requirements for fresh acreage; restrict abandoned acreage from insurability; expand insurable causes of loss for fruit insured as juice to include excess wind; and more accurately account for the salvage value of fruit insured as fresh.

As part of the effort to standardize terminology, the term “citrus fruit crop” has been changed to “citrus fruit commodity.” Additionally, the “citrus fruit commodities” have been given new names, which resulted in several of the old “citrus fruit crops” being split apart into separate “citrus fruit commodities.” Table 1 lists the old “citrus fruit crop” names for the 2013 and prior crop years in the first column, and the new “citrus fruit commodity” names for the 2014 and succeeding crop years in the second column.

The “citrus fruit commodities” have been divided into “citrus fruit groups” through the Special Provisions. The “citrus fruit groups” are now the basis for electing coverage levels and determining the insured crop. The “citrus fruit groups” have been established to keep the basis for coverage levels, basic units, and administrative fees for the 2014 and succeeding crop years as similar as possible to the basis for the 2013 and prior crop years. Table 2 lists the “citrus fruit groups” under the new citrus fruit commodities.

Please refer to the Florida Citrus Fruit Crop Provisions and Special Provisions for complete information.



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

The USDA is an Equal Opportunity Provider and Employer

ACTION:

- A. RMA will place, by close of business today, the new Florida Citrus Fruit Crop Provisions and Summary of Changes on the RMA Web site at <http://www.rma.usda.gov/policies>.
- B. Carryover policyholders are required to complete a new application if the types insurable under their current policy will become insurable under two separate policies due to changes to the crop names. Approved Insurance Providers (AIPs) must follow the actions in Table 3 to convert the applicable policies for acreage insured under the Florida Citrus Crop Provisions.
- C. Since the citrus fruit groups are now the basis for establishing the insured crop, a policyholder may insure each citrus fruit group within a commodity separately. A separate administrative fee will be charged for each citrus fruit group the policyholder elects to insure. Additionally, the citrus fruit groups will be the basis for establishing basic units and the policyholder may select different levels of coverage for each citrus fruit group they elect to insure.
- D. All carryover policyholders insured under the Florida Citrus Fruit Crop Provisions are required to complete a Producer's Pre-Acceptance Worksheet (PAW) by the April 15, 2013 acreage reporting date. AIPs are not required to complete Perennial Crop Pre-Acceptance Inspection Reports (PAIRs) for carryover policyholders as a result of new applications being required due only to changes in terminology. Requirements for when PAIRs should be completed are contained in the Crop Insurance Handbook.

If you have any questions, please contact Bill Bing or Shaun Collins, Product Administration and Standards Division, at (816) 926-7730.

DISPOSAL DATE:

December 31, 2013

Table 1. Conversion chart for determining the new citrus fruit commodity names based on the old citrus fruit crop names.

| Citrus Fruit Crop Names 2013 and Prior | Citrus Fruit Commodity Names beginning in 2014 |
|--|--|
| Citrus I – Early and mid-season oranges | Oranges |
| Citrus II Late oranges juice | Oranges |
| Citrus III – grapefruit for which freeze damage will be adjusted on a juice basis | Grapefruit |
| Citrus IV – Tangelos and tangerines | Tangelos |
| | Mandarins/Tangerines |
| Citrus V – Murcott Honey oranges (also known as honey tangerines) and temple oranges | Tangors |
| Citrus VI – Lemons and Limes | Lemons |
| | Limes |
| Citrus VII – Grapefruit for which freeze damage will be adjusted on a fresh fruit basis, and late oranges fresh | Grapefruit |
| | Oranges |
| Citrus VIII – Navel Oranges | Oranges |
| Citrus IX – any other citrus fruit crop designated in the special provisions fruit crop designated in the special provisions | Any other citrus fruit commodity designated in the actuarial documents |

Table 2. Citrus fruit groups under the new citrus fruit commodities effective for the 2014 and succeeding crop years unless modified through the Special Provisions.

Oranges

- Early-season (juice) and Mid-season (juice)
- Late-season (juice)
- Late-season (fresh)
- Navel (fresh)

Grapefruit

- No commodity type specified (juice)
- No commodity type specified (fresh)

Tangelos

- No commodity type specified (fresh)

Mandarins/Tangerines

- No commodity type specified (fresh)

Tangors

- Murcotts (fresh) and Temples (fresh)

Lemons

- No commodity type specified (juice)

Limes

- No commodity type specified (juice)

Table 3. Instructions for transitioning to the revised policy structure of the Florida Citrus Fruit Crop Provisions.

| If a producer has a 2013 crop policy for ... | Then for 2014 ... |
|--|--|
| <p>Citrus I – Early and mid- season oranges;</p> <p>Citrus II – Late oranges juice;</p> <p>Citrus III – Grapefruit for which freeze damage will be adjusted on a juice basis;</p> <p>Citrus V – Murcott Honey Oranges (also known as Honey Tangerines) and Temple Oranges; or</p> <p>Citrus VIII – Navel Oranges</p> | <p>Policy cancellation and reissuance is not required. Policy documents (e.g., acreage report) issued subsequent to this memorandum must include the new Citrus Fruit Group and Citrus Fruit Commodity name.</p> |
| <p>Citrus IV – Tangelos and Tangerines</p> <p>Citrus VI – Lemons and Limes</p> <p>Citrus VII - Grapefruit for which freeze damage will be adjusted on a fresh fruit basis, and late oranges fresh</p> | <p>The AIP must cancel their respective policy and provide written notification to the producer(s) of the commodity name change requiring policy cancellation. This notice must include a statement that to continue coverage, the producer must submit a new application to their agent by the April 15, 2013 sales closing date.</p> |