



United States
Department of
Agriculture

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Farm and Foreign
Agricultural
Services

INFORMATIONAL MEMORANDUM

Risk
Management
Agency

TO: Approved Insurance Providers (AIP's) Servicing Florida

Valdosta
Regional Office

FROM: Michael Moore /s/ *Michael Moore*
Director

106 S Patterson Ave
Suite 250
Valdosta, GA 31601

SUBJECT: Approved Insurance Provider (AIP) Underwriting Guidelines for
Increasing Previously Reduced Florida Citrus Fruit Acreage

BACKGROUND:

In Florida citrus production, good citrus grove management practices include removal and replacement of damaged trees on an annual basis. The rate at which tree replacement occurs has increased in recent years due to Citrus Greening and Asiatic Citrus Canker diseases that cause tree decline. This circumstance can place tree stands below the threshold at which acreage reduction is mandated by the 2011 Florida Citrus Crop Special Provisions of Insurance and RMA Regional Office (RO) approval is required to subsequently increase the insured acreage:

In addition to the requirements of section 3 for both the Basic Provisions and the Florida Citrus Fruit Crop Provisions, reductions in acreage will be made when a decrease in the plant stand is greater than ten (10) percent of the original plant stand and density for any reported insurable block, based upon damaged or removed trees, vines or bushes (e.g., an eighty-two percent stand on 10.0 acres X .82 = 8.2 insured acres). In any subsequent crop year, acreage adjusted in accordance with this paragraph must be retained and updated based upon any additional reduction in stand. No increase in reduced acreage can be made without the Risk Management Agency (RMA) Regional Office (RO) authorization.

Conversely, Florida Citrus Fruit procedure, outlined in Section 20A(6)(a)3 of the 2011 Crop Insurance Handbook (CIH), states:

RO authorization is not necessary when previously reduced acreage is increased due to replanting of missing trees, the AIP may adjust acreage.

Incorporation of the above statement in the CIH was intended to provide relief from the Special Provisions statement when good grove management practices resulted in



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the replacement of trees and those trees reached insurable age. Due to the acceleration of tree replacement, it is anticipated that excessive RO determinations will be triggered by the Special Provisions statement cited above. In exercise of the RO responsibility *to waive Pre-acceptance Inspection Reports (PAIRs) ...when excessive PAIRs are triggered by a Regional Issue* [Section 7D(4)(c)2, CIH], the following action is taken.

ACTION:

Where trees have been removed and replanted in accordance with recommended good citrus grove management practices, AIPs are authorized to increase insurable acreage without RO authorization, when healthy, replanted trees reach insurable age. Only in those cases where trees have been damaged, buckhorned, or topworked, and are not replanted with healthy trees, is RMA RO approval required to increase the acreage.

If you have any questions about this memorandum or citrus acreage determination, please contact the Valdosta Regional Office.