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HYBRID SWEET CORN SEED (PILOT) INSURANCE STANDARDS HANDBOOK

2016 and Succeeding Crop Years

**RISK MANAGEMENT AGENCY
KANSAS CITY, MO 64133**

TITLE: HYBRID SWEET CORN SEED PILOT INSURANCE STANDARDS HANDBOOK	NUMBER: 24340
EFFECTIVE DATE: 2016 and Succeeding Crop Years	ISSUE DATE: December 1, 2015
SUBJECT: Provides procedures and instructions for administering the Hybrid Sweet Corn Seed pilot crop insurance program.	OPI: Actuarial and Product Design Division APPROVED: /s/ Tim B. Witt Deputy Administrator for Product Management

REASON FOR ISSUANCE

The Hybrid Sweet Corn Seed Pilot Insurance Standards Handbook is being issued and the handbook will be effective for the Hybrid Sweet Corn Pilot Program effective for the 2016 crop year.

HYBRID SWEET CORN SEED PILOT INSURANCE STANDARDS HANDBOOK

CONTROL CHART

Hybrid Sweet Corn Pilot Insurance Standards Handbook							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number	Exhibit Page(s)	Date	Directive Number
Insert	Entire Handbook						
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FILING INSTRUCTIONS

This handbook is being issued initially. It is effective for the 2016 and succeeding crop years.

**HYBRID SWEET CORN SEED PILOT PROGRAM
INSURANCE STANDARDS HANDBOOK**

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(RESERVED)

Part 1 General Information and Responsibilities

1 General Information

A. Purpose

This handbook provides procedure for administrating the HSCS Pilot Program in accordance with the HSCS CP, and supplements the CIH, GSH and LAM via exceptions, changes, and additions. If there is a conflict between this handbook and the CIH, GSH or the LAM, this handbook controls.

B. Source of Authority

The HSCS Pilot Program is a RMA developed product approved by the FCIC Board of Directors on September 16, 2015, under Section 523 of the Federal Crop Insurance Act. This handbook provides the FCIC-approved procedures for administering the pilot

C. Duration

The HSCS Pilot Program will be available beginning with the 2016 crop year and is authorized until terminated or converted to a permanent program by the FCIC Board of Directors.

D. Pilot Area

See Actuarial Documents for the pilot area.

E. Applying for the HSCS Pilot Program

AIPs shall use the standard application for the HSCS Pilot Program. The application must indicate the insured has selected HSCS Pilot Crop Provisions along with other required information.

1 General Information (continued)

F. Related Handbooks

The following table identifies handbooks related to the HSCS Program.

Handbook	Relation/Purpose
CIH	General underwriting procedures.
DSSH	Documents Supplemental Standards Handbook
GSH	General Standards Handbook
HSCS LASH	Loss procedures for HSCS.
LAM	General loss adjustment procedures
PP LASH	Prevented planting loss adjustment procedures.

2 Responsibilities

A. AIP Responsibilities

AIPs must use standards, procedures, methods and instructions as authorized by FCIC in the sale and service of crop insurance contracts. Each AIP is responsible for using RMA approved procedure. AIPs should report any pilot program issues or concerns to the Actuarial and Product Design Division (APDD) of the Risk Management Agency (RMA).

B. Insured's Responsibilities

To be eligible for the HSCS Pilot Program, insured must comply with all terms and conditions of the Basic Provisions, and the HSCS Pilot Crop Provisions.

3-20 (Reserved)

Part 2 Insurability

21 Insurable Crop

The following may not be a complete list of insurability requirements. Refer to the BP, CP, and SP for a complete list.

- A. Only Female Parent Plants are Insurable.**
- B. A Hybrid Sweet Corn Seed Processor Contract is Required.**
 - (1) The contract must be executed before the acreage reporting date.
 - (2) The insured must provide a copy of the hybrid sweet corn seed processing contract in the event of damage or loss.
- C. Only an irrigated practice is insurable.**
- D. Only standard planting is insurable.**
- E. A commercial hybrid sweet corn seed producer who is also a seed company may be able to insure the hybrid sweet corn crop if:**
 - (1) The seed company has an insurable interest;
 - (2) The Board of Directors of the seed company has executed and adopted a corporate resolution that contains the same terms as a hybrid sweet corn seed contract;
 - (3) The seed company provides sales records for the previous year's seed production; and
 - (4) An inspection shows that the drying, conditioning and storage facilities satisfy the definition of a seed company.
- F. The insured may insure any of the insured crop that is contracted with different seed companies under separate policies with different insurance providers if:**
 - (1) The insured insures all acreage of the insured crop in the county.
 - (2) The insured agrees to pay separate administrative fees for each insurance policy.

22 Insurable Type and Practices

A. The Insurable Type is Standard Planting 210.

B. Insurable Practices are:

- (1) Irrigated 002
- (2) Irrigated Organic Certified 702
- (3) Irrigated Organic Transitional 712

23 Units

A. The Definition of “Basic Unit” differs from the Definition in the Basic Provisions.

- (1) This definition:
 - (a) states that a basic unit is all acreage planted to the insured crop in the county that will be used to fulfill a hybrid sweet corn seed processor contract;
 - (b) allows no more than one basic unit for all production contracted with each processor contract; and

B. Unit types that do not apply to this program are:

- (1) Optional units by section, section equivalent, FSA farm serial number and by irrigated and non-irrigated practices.
- (2) Enterprise and whole farm units.

24 Coverage Levels

Coverage is available in 5 percent increments from 50 percent to 75 percent. CAT coverage is offered.

25 Hybrid Seed Price Endorsement (02-hspe)

The Hybrid Seed Price Endorsement does not apply to the HSCS pilot program.

26-30 (Reserved)

Part 3 Applicability of Handbooks

31 General Overview

This part identifies information specific to the applicability of the CIH, DSSH, GSH, LAM, PP LASH and any other procedural issuance that may require supplemental information with regard to the Hybrid Sweet Corn Seed pilot program. Unless specifically amended, supplemented or deleted by information in this handbook, all policy and procedure issuances apply to the Hybrid Sweet Corn Seed Program.

32 Specific Information Regarding the Crop Insurance and General Standards Handbook

The general rules of crop insurance, as provided in the GSH, apply to the Hybrid Sweet Corn Seed pilot program.

The following table provides general information, changes, additions, deletions and/or modifications, and termed supplemental instructions regarding the applicability of the CIH to the YDO Hybrid Sweet Corn Seed pilot program.

Throughout the CIH the following exception applies:

Disregard any reference to written agreements. Written agreements do not apply to the HSCS pilot program.

CIH References	Supplemental Instructions
Part 9, Paragraphs 902 and 904	The Catastrophic Risk Protection Endorsement and the Hail and Fire Exclusion Option apply.
Part 10	Basic units will be established by processor contract. These will be no more than one basic unit for all production contracted with each contract.
Part 11, Section 1, Paragraphs 1101-1106	Applies. Only if an irrigated practice is insurable.
Part 12, Sections 1 and 2	LPO applies. Add HSCS to table entry in paragraph 1215 E with Cotton, Hybrid Seed Corn and Peanuts. Footnote 3 applies.
Parts 13-19.	Does not apply.
Part 20	Add HSCS to paragraph 2001 list of crops.

32 Specific Information Regarding the Crop Insurance Handbook (continued)

CIH References	Supplemental Instructions
Part 20, Section 7	Add HSCS to paragraph 2043.
Exhibit 20	Applies.

33 Prevented Planting Loss Adjustment Standards Handbook

The Prevented Planting Loss Adjustment Standards Handbook is applicable to the Hybrid Sweet Corn Seed Pilot Program.

34 Loss Adjustment Manual

The procedures identified in the LAM are adopted for the Hybrid Sweet Corn Seed Pilot Program, except replant payments are not available (Part 7, Section 2).

35 Hybrid Sweet Corn Seed Pilot Loss Adjustment Standards Handbook

The Hybrid Sweet Corn Seed Pilot Loss Adjustment Standards Handbook applies,

36 Document and Supplemental Standards Handbook (DSSH)

A. General Information

Unless specifically amended or supplemented by information in this Insurance Standards Handbook, all standards in the DSSH apply.

B. Exhibits 51 (Hybrid Seed Yield Report) and Exhibit 52 (Hybrid Seed Corn Yield History Report) apply.

Exhibit 52 DSSH References	Supplemental Instructions
Column I	Does not apply. Only irrigated practices are insured.
Column K	Eliminate the word “field” and add “56-pound” before “bu” in parentheses.

Exhibit 52 DSSH References	Supplemental Instructions
Column O	Substitute this statement for Column O: “The production data must be based on determinations obtained and calculated on harvested production following the seed conditioning process (i.e., drying, shelling, screening, etc.). The reported amount of harvested production must be net of moisture content, shelling factor, and foreign material (I.e., husks, stalks, etc.), and small and immature kernels.”
Column P	Substitute this statement for Column P: “You must determine/calculate the requested information and yield data using total female planted acres and total production after conditioning.
Column Q	Substitute the following statement for Column Q: “For the purpose of determining the quantity of mature field production, the seed company provided records of production after conditioning.

37-40 (Reserved)

Part 4 Other Information

Exhibit 1

Acronyms and Abbreviations

The following table provides the acronyms and abbreviations used in this handbook.

Approved Acronym/Abbreviation	Term
AIP	Approved Insurance Provider
BP	Basic Provisions
CAT	Catastrophic Risk Protection
CIH	Crop Insurance Handbook, FCIC-18010
CP	Crop Provisions
DSSH	Document and Supplemental Standards Handbook, FCIC-24040
FCIC	Federal Crop Insurance Corporation
GSH	General Standards Handbook
HSCS	Hybrid Sweet Corn Seed
LAM	Loss Adjustment Manual, FCIC-25010
PP LASH	Prevented Planting Loss Adjustment Standards Handbook
RMA	Risk Management Agency
SP	Special Provisions

Definitions

Adjusted yield means an amount determined by multiplying the county yield by the coverage level factor.

Amount of insurance per acre means a dollar amount determined by multiplying the adjusted yield by the price election the insured selected and subtracting any minimum guaranteed payment, not to exceed the total compensation specified in the hybrid sweet corn seed processor contract. If the hybrid sweet corn seed processor contract contains a minimum guaranteed payment that is stated in bushels we will convert that value to dollars by multiplying it by the price election the insured selected.

Approved yield means, in lieu of the definition contained in the BP, an amount FCIC determines to be representative of the yield that the female parent plants are expected to produce when grown under specific production practice. FCIC will establish the approved yield based upon records provided by the hybrid seed company and other information it deems appropriate.

Bushel means fifty-six pounds avoirdupois of shelled hybrid sweet corn seed, 70 pounds avoirdupois of ear hybrid sweet corn, or the number of pounds determined under the seed company's normal conversion chart when that chart is used to determine the approved yield and the claim for indemnity.

Certified seed test means a warm germination test performed on clean seed according to specifications of the "Rules for Testing Seeds" of the Association of Official Seed Analysts.

Clean seed means hybrid sweet corn seed which has been conditioned by the processor.

Commercial hybrid sweet corn seed means the offspring produced by crossing a male and female parent plant, each having a different genetic character. This offspring is the product intended for use by a grower to produce commercial crop of sweet corn.

Condition means a process to remove the husk, chaff, immature and undersized seeds, weed seeds, inert matter, other crop seeds, and other materials from the field run production to the extent such removal is possible and subsequently drying the hybrid sweet corn seed.

County yield means an amount contained in the actuarial documents that is established by FCIC to represent that yield that a producer of hybrid sweet corn seed would be expected to produce if the acreage had been planted to commercial field corn.

Coverage level factor means a factor contained in the SP to adjust the county yield for commercial field corn to reflect the higher value of hybrid sweet corn seed.

Definitions (Continued)

Dollar value per bushel means an amount that determines the value of any seed production to count. It is determined by dividing the amount of insurance per acre by the result of multiplying the approved yield by the coverage level percentage, expressed as a decimal.

Female parent plants means sweet corn plants that are grown for the purpose of producing commercial hybrid sweet corn and have had the stamens removed or are otherwise male sterile.

Field run means the commercial hybrid sweet corn seed production before it has been conditioned.

Good farming practices means, in addition to the definition contained in the BP, those practices required by the hybrid sweet corn seed processor contract.

Harvest means combining, threshing or picking ears from the female parent plants to obtain commercial hybrid sweet corn seed.

Hybrid sweet corn seed processor contract means an agreement executed in writing between the hybrid seed rice crop producer and a hybrid seed rice company containing, at a minimum:

- (a) the producer's promise to plant and grow male and female parent plants, and to deliver all field run commercial hybrid sweet corn seed produced from such plants to the hybrid seed company;
- (b) the seed company's promise to purchase the commercial hybrid sweet corn seed produced by the producer; and
- (c) either a fixed price per unit of measure (bushels, hundredweight, etc.) of the commercial hybrid sweet corn seed or a formula to determine the value of such seed. Any formula for establishing the value must be based on data provided by a public third party that establishes or provides pricing information to the general public, based on prices paid in the open market (such as commodity futures exchanges), to be acceptable for the purpose of this policy.

Inadequate germination means germination of less than 80 percent of the commercial hybrid sweet corn seed as determined by using a certified seed test.

Insurable interest means the insured's share of the financial loss that occurs in the event seed production is damaged by a cause of loss specified in Section 10 of the CP.

Male parent plants means sweet corn plants grown for the purpose of pollinating the female parent plants.

Definitions (Continued)

Minimum guaranteed payment means a minimum amount (usually stated in dollars or bushels) specified in your hybrid sweet corn seed processor contract that will be paid or credited to you by the hybrid sweet corn seed company regardless of the quantity of seed produced.

Planted acreage means, in addition to the definition contained in the BP, the insured crop must be planted in rows wide enough to permit mechanical cultivation unless otherwise provided by the SP.

Practical to replant, in addition to the definition contained in the BP, applies to either the female or male parent plant. It will not be considered practical to replant unless production from the replanted acreage can be delivered under the terms of the hybrid sweet corn seed processor contract, or the seed company agrees in writing that it will accept the production from the replanted acreage.

Prevented planting, in addition to the definition contained in the BP, applies to the female and male parent plants. The male parent plants must be planted in accordance with the requirements of the hybrid sweet corn seed processor contract to be considered planted.

Planting pattern means the arrangement of the rows of the male and female parent plants in a field. An example of a planting pattern is planting two consecutive rows of male parent plants and then four rows of female parent plants.

Sample means, for the purpose of the certified seed test, at least three pounds of randomly selected field run sweet corn seed for each type or variety of commercial hybrid sweet corn seed grown on the unit.

Seed company means a business enterprise that possesses all licenses for marketing commercial hybrid sweet corn seed required by the state in which it is domiciled or operates or a food company that offers hybrid sweet corn seed processor contracts, and which possesses, or has contractual access to, facilities with enough storage and drying capacity to accept and process the insured crop within a reasonable amount of time after harvest. If the seed company is the insured, it must also be a corporation.

Seed production means all seed produced by female parent plants with a germination rate of at least 80 percent as determined by a certified seed test.

Shelled sweet corn means kernels that have been removed from the cob.

Variety means the name, number or code assigned to a specific genetic cross by the seed company or as listed in the SP for the insured crop in the county.