



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

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BULLETIN NO.: MGR-99-025

TO: All Reinsured Companies
All Risk Management Agency Field Offices

FROM: Kenneth D. Ackerman /s/ Ken Ackerman 7/8/99
Administrator

SUBJECT: 1999 Crop Year Watermelon Pilot Crop Insurance Program Issues

BACKGROUND:

The Risk Management Agency (RMA) has received questions on watermelons regarding:

1. Rotational requirements;
2. Production to count;
3. End of Insurance Period;
4. Separate actual production history (APH) yields for spring and fall practices;
5. Loss of production due to solid-planted acreage; and
6. Insurability of acreage not previously planted and harvested.

The following addresses these issues.

ACTION:

ISSUE 1: Rotational requirements

Questions: Is fall-planted watermelon acreage insurable when planted behind spring-planted watermelons in the same crop year? In Texas, is non-irrigated fall-planted watermelon acreage insurable when planted behind any fall or spring-planted crop for the same crop year?

Answer: Fall-planted watermelons planted behind spring-planted watermelons harvested on the same land in the same crop year are not insurable. This restriction is contained in Section 8(b)(4) of the Common Crop Insurance Policy, Basic Provisions (Basic Provisions).



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For Texas, non-irrigated fall-planted watermelons planted behind any fall or spring-planted crop on the same land in the same crop year are not insurable. The practice is not insurable based on Section 8(b)(1) of the Basic Provisions.

ISSUE 2: Production to count

Question: Are weight and/or size factors used in determining marketable watermelons?

Answer: Weight and/or size are not factors used in determining marketable production as defined in Section 1 of the Watermelon Pilot Crop Provisions.

ISSUE 3: End of Insurance Period

Question: When does the watermelon insurance period end since watermelons have multiple harvests and harvest is defined in the Crop Provisions as: “severing the mature watermelons from the vine?”

Answer: Insurance coverage ends for watermelons when they are harvested (severing the mature watermelons from the vine). The end of the insurance period for a unit, or part of a unit is the earlier of “final” harvest, the calendar date specified in Section 9 of the Crop Provisions, or any of the other events specified in Section 11 of the Basic Provisions that end the insurance period.

ISSUE 4: Separate actual production history (APH) yields for spring and fall practices

Question: Can the actual production history for spring-planted watermelons be used to establish APH yields for fall-planted watermelons?

Answer: Historical yields from spring-planted watermelons cannot be used to establish APH yields for fall-planted watermelons. This determination is based on Section 1 (definition of good farming practices) and Section 8(b)(1) of the Basic Provisions. The producer must report and certify, separately, the practice on which the APH was established for spring-planted and for fall-planted watermelons. Any producer who uses a cultural farming practice (spring or fall) for which less than 4 years of production history is available, must use the variable T-yield procedure to establish the APH yield for that practice. This determination is based on Section 1 (definition of good farming practices) and Section 8(b)(1) of the Basic Provisions. See Section 6, Paragraph C of the Crop Insurance Handbook for this detailed procedure.

ISSUE 5: Loss of production due to solid-planted acreage

Question: How is production to count determined for producers who plant solid-planted watermelon acreage (no truck or turn row) and use trucks and trailers in harvesting watermelons that may destroy or reduce watermelon production during normal harvest?

Answer: If production to count from solid-planted watermelon acres is reduced or lost due to the use of trucks or trailers during harvest, the damage is considered an uninsurable cause of loss and must be documented and counted as such in accordance with the Loss Adjustment Manual.

ISSUE 6: Insurability of acreage not previously planted and harvested

Question: Is acreage planted to watermelons on which any crop has not been planted and harvested within one of the 3 previous crop years insurable?

Answer: This acreage does not meet the insurability requirements contained in Section 9(a)(1) of the Basic Provisions and is not insurable.

DISPOSAL:

This bulletin is for the purpose of transmitting/updating information and the expiration date is December 31, 1999.