SUMMARY OF CHANGES FOR THE FRESH MARKET BEAN CROP PROVISIONS (11-0105)
(Released January 2011)

The following is a brief description of changes to the Fresh Market Bean Crop Provisions that will be effective for the 2011 and succeeding crop years. Please refer to the Crop Provisions for more complete information.

Revised to change the reference in section 12(e)(2) to reflect the correct section number.

2011-0105

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
FRESH MARKET BEAN CROP PROVISIONS

1. Definitions.

Approved yield – In lieu of the definition contained in the Basic Provisions, the actual production history (APH) yield, used to determine the production guarantee by summing the yearly actual yields and dividing the sum by the number of yields contained in the database. The database must contain at least four actual yields, but may contain up to 10 consecutive crop years of actual or assigned yields.

Carton - Thirty pounds avoirdupois.

Crop year - In lieu of the definition contained in the Basic Provisions, the crop year will be the period of time that begins on the first day of the earliest planting period for spring planted fresh market beans and continues through the last day of the insurance period for fall planted fresh market beans. The crop year is designated by the calendar year in which the fresh market beans are harvested.

Direct marketing - Sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, or buyer. Examples of direct marketing include selling through an on-farm or roadside stand, farmer's market, and permitting the general public to enter the field for the purpose of picking all or a portion of the crop.

Enterprise unit - In lieu of the definition and section 34 of the Basic Provisions, all insurable acreage of fresh market beans in the county in which you have a share on the date coverage begins for the planting period.

Fresh market beans - Plants of the family Leguminosae and the genus Phaseolus and of the types identified in the Special Provisions that are grown for their pods and used for human consumption.

Harvest - The removal of fresh market bean pods from the plants.

Marketable – Fresh market beans that are sold or that grade U.S. No. 2 or better in accordance with the requirements of the United States Standard of Grades for Snap Beans and will withstand normal handling and shipping.

Maximum allowable acreage – 110 percent of the greatest number of acres of planted fresh market beans in which you had a share in any of the previous three crop years.

Over-planting factor – A factor which is always 1.000 or less and that is used to adjust your production guarantee (per acre) when you plant more acres of fresh market beans than your maximum allowable acreage. This factor is determined by dividing the maximum allowable acreage by the acres planted.

Plant stand – The number of live plants per acre prior to the occurrence of an insurable cause of loss.

Planted acreage – In addition to the definition contained in the Basic Provisions, for each planting period, the fresh market beans must be planted in rows far enough apart to permit mechanical cultivation.

Planting period - The period of time designated in the actuarial documents in which fresh market beans must be planted to be considered either spring or fall planted fresh market beans.

Potential production - The number of cartons of fresh market beans that will or would have been produced per acre by the end of the insurance period, assuming normal growth conditions and cultural practices.

Price for unharvested production - In accordance with section 15(d) of the Basic Provisions, your price election will be reduced by the factor contained in the Special Provisions, or any addendum thereto, and the result will be used to compute the amount of any indemnity in the event of a crop loss on unharvested acres.

Production guarantee (per acre) - In lieu of the definition in the Basic Provisions, the number of cartons determined by multiplying your approved yield per acre by the coverage level percentage you elect, by your overplanting factor.

Transitional yield (T-Yield) - In lieu of the definition contained in 7 CFR § 400.52, a yield determined as the simple average of the actual yields you certified on the APH production report and used for the purposes of yield substitutions.

2. Unit Division.

In lieu of all provisions in the Basic Provisions regarding unit structure, you will have an enterprise unit for the spring planting period and a separate enterprise unit for the fall planting period, if applicable. No other unit structure is available unless otherwise specified in the Special Provisions.

3. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities.

(a) In addition to the requirements of section 3 of the Basic Provisions, you may select only one price election for all the fresh market beans in the county insured under this policy unless the Special Provisions provide separate price elections by type. If we offer separate price elections by type, you may select one price election for each fresh market bean type designated in the Special Provisions. The price election you choose for each type must have the same percentage relationship to the maximum price offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you must also choose 100 percent of the maximum price election for all other types.

(b) For the purposes of determining your indemnity for unharvested acreage, a factor that will reduce your price election for unharvested production is specified in the Special Provisions.

4. Contract Changes.

In accordance with section 4 of the Basic Provisions, the contract change date is November 30 immediately preceding the cancellation date.

5. Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, unless otherwise specified in the Special Provisions, the cancellation and termination dates are March 15.

6. Report of Acreage.

In addition to the requirements of section 6 of the Basic Provisions, for each planting period, you must report on or before the acreage reporting date contained in the Special Provisions the date the acreage was planted within each planting period.

7. Insured Crop.

In accordance with section 8 of the Basic Provisions, the crop insured will be all the fresh market beans in the county for which a premium rate is provided by the actuarial documents:

(a) In which you have a share;

(b) That are:

(1) Planted to be harvested and sold as fresh market beans;

(2) Planted within the planting periods specified in the actuarial documents;

(3) Grown by a person who has grown fresh market beans for at least four crop years in the county in which the crop will be insured.

(c) That are not (unless allowed by the Special Provisions or by written agreement):

(1) Interplanted with another crop;

(2) Planted into an established grass or legume; or

(3) Grown for direct marketing.

8. Insurable Acreage.

In addition to the provisions of section 9 of the Basic Provisions:

(a) You must replant any acreage of fresh market beans damaged during the spring or fall planting period whenever less than 50 percent of the plant stand remains, and

(1) It is practical to replant; and

(2) If, at the time the crop was damaged, the final day of the planting period has not passed. Any acreage of the insured crop damaged before the final planting date, to the extent that most producers in the area would normally not further care for the crop, must be replanted unless we agree that it is not practical to replant.

(b) Acreage initially planted in any manner other than in rows far enough apart to permit mechanical cultivation will not be insurable unless otherwise provided by the Special Provisions.

(c) We will not insure acreage that does not meet all applicable rotation requirements contained in the Special Provisions.

9. Insurance Period.

In addition to the provisions of section 11 of the Basic Provisions, coverage ends at the earliest of:

(a) The date harvest should have started on the unit for any acreage that will not be harvested;

(b) 65 days after the date of planting (or replanting if applicable), unless otherwise provided in the Special Provisions; or

(c) The calendar date listed in the Special Provisions.

10. Causes of Loss.

(a) In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss which occur within the insurance period;

(1) Adverse weather conditions;

(2) Insects and disease, but not damage due to insufficient or improper application of control measures;

(3) Wildlife;

(4) Fire;

(5) Earthquake;

(6) Volcanic eruption; or

(7) Failure of the irrigation water supply due to a cause of loss specified in sections 10(a)(1) through (6) that occurs during the insurance period.

(b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss of production due to:

(1) Failure to harvest in a timely manner, unless such failure is due to a cause of loss specified in sections 10(a)(1) through (6) that occurs during the insurance period; or

(2) Failure to market fresh market beans, unless such failure is due to damage to the crop due to a cause of loss specified in sections 10(a)(1) through (6) that occurs during the insurance period.

11. Duties In The Event of Damage or Loss.

(a) In lieu of the provision of section 14 of the Basic Provisions allowing you to give notice of loss not later than 15 days after the end of the insurance period, if you intend to claim an indemnity on any unit, you must give us notice not later than 72 hours after the earliest of:

(1) Occurrence of damage;
(2) The time you discontinue harvest of any acreage on the unit;
(3) The date harvest normally would start if any acreage on the unit will not be harvested; or
(4) The calendar date for the end of the insurance period.

(b) In lieu of the required time to leave representative samples in the provisions of section 14 of the Basic Provisions, samples must not be harvested or destroyed until the earlier of our inspection or 7 days after harvest of the balance of the unit is completed. Failure to leave a representative sample will result in an appraised amount of production to count that is not less than the production guarantee per acre.

(c) If you are a broker, packer, processor, wholesaler, buyer or other handler of fresh market beans, in addition to all other notice requirements you must notify us at least 15 days before harvest or the end of insurance period, whichever is earlier.
(1) We will conduct an appraisal that will be used to determine your production to count.
(2) If damage occurs after this appraisal, we will conduct an additional appraisal upon receiving timely notice. These appraisals, and any acceptable production records provided by you, will be used to determine your production to count.
(3) Failure to give timely notice will result in an appraisal of production to count that is not less than the production guarantee (per acre).

(d) Although fresh market beans that are sold by direct marketing are not insurable, you must notify us at least 15 days before any production from any unit will be sold by direct marketing or sold for cash:
(1) We will conduct an initial inspection and appraisal before harvest of any production to be sold by direct marketing or sold for cash; and
(2) If damage occurs, you must notify us immediately and the following will apply:
(i) We will conduct an inspection;
(ii) The inspection and acceptable production records provided by you will be used to determine the amount of production to count;
(iii) You must continue to care for the crop and the calculation of the production to count specified in section 12 will be suspended until you notify us of the date that harvest first commences or recommences after the damage; and
(iv) Failure to give timely notice that production will be sold by direct marketing or sold for cash will result in an appraised amount of not less than the production guarantee (per acre) if such failure results in our inability to accurately determine the amount of production.
(v) If you fail to give timely notice of a harvest delay, your production to count will not be less than your production guarantee.

12. Settlement of Claim.

(a) We will determine your loss on a unit basis.
(b) We will determine the extent of any loss by the date it is delivered to a buyer, wholesaler, packer, processor, or other handler.
(c) In the event of loss or damage covered by this policy, we will settle your claim by:
(1) Multiply your harvested acres by your production guarantee;
(2) Multiply your unharvested acres by your production guarantee;
(3) Multiply the result of 12(c)(1) by your price election;
(4) Multiply the result of 12(c)(2) by the price for unharvested production;
(5) Sum the results from 12(c)(3) and 12(c)(4);
(6) Multiply your harvested production to count by your price election;
(7) Multiply your unharvested production to count by the price for unharvested production;
(8) Sum the results of 12(c)(6) and 12(c)(7);
(9) Subtract the result of step 12(c)(8) from the result of 12(c)(5);
(10) Multiply the result of 12(c)(9) by your share.

Example:

1	Your approved yield	145
2	Your coverage level	75%
3	Your maximum allowable acres	110
4	Your acres planted	125
5	Your overplanting factor	0.880
6	Your production guarantee (per acre)	95.7
7	Your price election	$10.00
8	Price for unharvested production factor	0. 75
9	Price for unharvested production	$7.50
10	Your harvested acres	100
11	Your unharvested acres	25
12	Your share	1.00

13	Your harvested production to count	9,500
14	Your unharvested production to count	700

Your indemnity would be calculated as follows:

1	Harvested Acres 100.0	x	Production Guarantee 95.7	=	9,570
2	Unharvested Acres 25.0	x	Production Guarantee 95.7	=	2,393
3	Result 12(b)(1) 9,570	x	Price Election 10.00	=	95,700
4	Result 12(b)(2) 2,393	x	Price for unharvested acres 7.50	=	17,948
5	Result 12(b)(3) 95,700	+	Result 12(b)(4) 17,948	=	113,648
6	Production to Count 9,500	x	Price Election 10.00	=	95,000
7	Unharvested Production to Count 700	x	Price for unharvested production 7.50	=	5,250
8	Result 12(b)(6) 95,000	+	Result 12(b)(7) 5,250	=	100,250
9	Result 12(b)(5) 113,648	-	Result 12(b)(8) 100,250	=	13,398
10	Result 12(b)(9) 13,398	x	Share 1.00	=	13,398

(d) The total production to count (in cartons) of marketable fresh market beans from all insurable acreage on the unit will include:

(1) All appraised production as follows:

(i) Not less than the production guarantee for acreage:

(A) That is abandoned;

(B) For which you fail to meet the requirements contained in section 11;

(C) That is put to another use without our consent;

(D) That is damaged solely by uninsured causes;

(E) On which you failed to maintain any required representative sample; or

(F) For which you failed to provide production records that are acceptable to us;

(ii) All unharvested marketable production;

(iii) All potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:

(A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (the amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

(B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested; and

(2) All harvested marketable production from the insurable acreage.

(e) Harvested production to count which is damaged by an insured cause of loss but will be marketed will be determined as follows:

(1) Divide the value per carton of such damaged fresh market beans by the price election; and

(2) Multiply the result in section 12(e)(1) by the number of cartons of damaged fresh market beans.

13. Late and Prevented Planting.

The late and prevented planting provisions of the Basic Provisions are not applicable.