DEPARTMENT OF AGRICULTURE  

Animal and Plant Health Inspection Service  

7 CFR Part 340  

[Docket No. 03–031–3]  

Environmental Impact Statement; Introduction of Genetically Engineered Organisms  

AGENCY: Animal and Plant Health Inspection Service, USDA.  

ACTION: Notice of intent to prepare an environmental impact statement and proposed scope of study; reopening of comment period.  

SUMMARY: We are reopening the comment period for a notice of intent to prepare an environmental impact statement that we published in connection with potential changes to the regulations regarding the importation, interstate movement, and environmental release of certain genetically engineered organisms. The earlier notice identified potential issues and alternatives that will be studied in the environmental impact statement and requested public comment to further delineate the scope of the issues and alternatives. We are reopening the comment period to allow interested persons additional time to prepare and submit comments.  

DATES: We will consider all comments that we receive on or before April 13, 2004.  

ADDRESSES: You may submit comments by any of the following methods:  

• Postal Mail/Commercial Delivery: Please send four copies of your comment (an original and three copies) to Docket No. 03–031–2, Regulatory Analysis and Development, PPD, APHIS, Station 3C71, 4700 River Road Unit 118, Riverdale, MD 20737–1238. Please state that your comment refers to Docket No. 03–031–2.  

• E-mail: Address your comment to regulations@aphis.usda.gov. Your comment must be contained in the body of your message; do not send attached files. Please include your name and address in your message and “Docket No. 03–031–2” on the subject line.  

• Agency Web Site: Go to http://www.aphis.usda.gov/pdp/rod/comint.htm for a form you can use to submit an e-mail comment through the APHIS Web site.  

• Federal eRulemaking Portal: Go to http://www.regulations.gov and follow the instructions for locating this docket and submitting comments.  

Reading Room: You may read any comments that we receive on Docket No. 03–031–2 in our reading room. The reading room is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue, SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 690–2817 before coming.  

Other Information: You may view APHIS documents published in the Federal Register and related information, including the names of groups and individuals who have commented on APHIS dockets, on the Internet at http://www.aphis.usda.gov/ppd/rod/webreport.html.  

FOR FURTHER INFORMATION CONTACT: Ms. Stephanie Stepheins, Environmental Services, PPD, APHIS, 4700 River Road Unit 149, Riverdale, MD 20737–1238; (301) 734–4836.  

SUPPLEMENTARY INFORMATION:  

Background  

On January 23, 2004, we published in the Federal Register (69 FR 3271–3272, Docket No. 03–031–2) a notice that the Animal and Plant Health Inspection Service intends to prepare an environmental impact statement in connection with potential changes to the regulations regarding the importation, interstate movement, and environmental release of certain genetically engineered organisms. Comments on that notice were required to be received on or before March 23, 2004. To provide interested persons additional time to prepare and submit comments, we are reopening the comment period on the notice until April 13, 2004. We will also consider all comments received between March 24, 2004 (the day after the close of the original comment period), and the date of this notice.  

Done in Washington, DC, this 25th day of March, 2004.  

Kevin Shea,  

Acting Administrator, Animal and Plant Health Inspection Service.  

[FR Doc. 04–7008 Filed 3–26–04; 8:45 am]  

BILLING CODE 3410–34–P  

DEPARTMENT OF AGRICULTURE  

Federal Crop Insurance Corporation  

7 CFR Part 457  

Common Crop Insurance Regulations; Apple Crop Insurance Provisions  

AGENCY: Federal Crop Insurance Corporation, USDA.
ACTION: Proposed rule with request for comments.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) proposes to amend the Apple Crop Insurance Provisions. The intended effect of this action is to provide policy changes and clarify existing policy provisions to better meet the needs of the insureds and to restrict the effect of the current Apple Crop Insurance Regulations to the 2004 and prior crop years.

DATES: Written comments and opinions on this proposed rule will be accepted until close of business April 28, 2004 and will be considered when the rule is to be made final.

ADDRESSES: Interested persons are invited to submit written comments to the Director, Product Development Division, Risk Management Agency, United States Department of Agriculture, 6501 Beacon Drive, Stop 0812, Room 421, Kansas City, MO 64133–4676. Comments titled “Apple Crop Provisions” may be sent via the Internet to DirectorPDD@rma.usda.gov, or the Federal eRulemaking Portal: http://www.regulations.gov. Follow the online instructions for submitting comments. A copy of each response will be available for public inspection and copying from 7 a.m. to 4:30 p.m., CDT, Monday through Friday except holidays, at the above address.

FOR FURTHER INFORMATION CONTACT: Gary Johnson, Risk Management Specialist, Research and Development, Product Development Division, Risk Management Agency, at the Kansas City, MO, address listed above, telephone (816) 926–7730.

SUPPLEMENTARY INFORMATION:

Executive Order 12866

The Office of Management and Budget (OMB) has determined that this rule is not significant for the purpose of Executive Order 12866 and, therefore, it has not been reviewed by OMB.

Paperwork Reduction Act of 1995

Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35), the collections of information in this rule have been approved by OMB under control number 0563–0053 through February 28, 2005.

Regulatory Flexibility Act

FCIC certifies that this regulation will not have a significant economic impact on a substantial number of small entities. Program requirements for the Federal crop insurance program are the same for all producers regardless of the size of their farming operation. For instance, all producers are required to submit an application and acreage report to establish their insurance guarantees, and compute premium amounts, or a notice of loss and production information to determine an indemnity payment in the event of an insured cause of crop loss. Whether a producer has 10 acres or 1000 acres, there is no difference in the kind of information collected. To ensure crop insurance is available to small entities, the Federal Crop Insurance Act authorizes FCIC to waive collection of administrative fees from limited resource farmers. FCIC believes this waiver helps to ensure small entities are given the same opportunities to manage their risks through the use of crop insurance. A Regulatory Flexibility Analysis has not been prepared since this regulation does not have an impact on small entities, and therefore, this regulation is exempt from the provisions of the Regulatory Flexibility Act (5 U.S.C. 605).

Federal Assistance Program

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.450.

Executive Order 12372

This program is not subject to the provisions of Executive Order 12372, which require intergovernmental consultation with State and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115, June 24, 1983.

Executive Order 12988

This rule has been reviewed in accordance with Executive Order 12988 on civil justice reform. The provisions of this rule will not have a retroactive effect. The provisions of this rule will preempt State and local laws to the extent such State and local laws are inconsistent herewith. With respect to any action taken by FCIC under the terms of the crop insurance policy, the administrative appeal provisions published at 7 CFR part 11 or 7 CFR 400.169, as applicable, must be exhausted before any action for judicial review of any determination or action by FCIC may be brought.

Environmental Evaluation

This action is not expected to have a significant impact on the quality of the environment, health, and safety. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.
of loss without the need to purchase a specific option.

9. Section 12—Clarify that value of the production guarantee is also calculated by variety as well as type.

10. Replaced provisions of the previous sections 13 (Optional Coverage for Quality Adjustment) and section 14 (Option C—Prices and Units by Varietal Group) with a new section 14 (Optional Coverage for Fresh Fruit Quality Adjustment) to provide quality adjustments for all perils. This modification eliminates several options under the current program and simplifies the apple crop insurance program. In addition, an example was added for clarification of the Optional Coverage for Fresh Quality Adjustment.

List of Subjects in 7 CFR Part 457

Crop insurance, Apple, Reporting and record keeping requirements.

Proposed Rule

Accordingly, as set forth in the preamble, the Federal Crop Insurance Corporation proposes to amend 7 CFR part 457, Common Crop Insurance Regulations, for the 2005 and succeeding crop years as follows:

PART 457—COMMON CROP INSURANCE REGULATIONS

1. The authority citation for 7 CFR part 457 continues to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p).

2. Revise §457.158 to read as follows:

§457.158 Apple crop insurance provisions.

The Apple Crop Insurance Provisions for the 2005 and succeeding crop years are as follows:

1. Definitions

Apple production. All production of fresh apples and processing apples from the insurable acreage.

Area A. A geographic area that includes Montana, Wyoming, Utah, New Mexico and all states west thereof.

Area B. A geographic area that includes all states not included in Area A, except for Colorado.

Area C. Colorado.

Bin. A container that contains a minimum of 875 pounds of apples or another quantity if so designated in the Special Provisions.

Box. A container that contains 35 pounds of apples or another quantity if so designated in the Special Provisions.

Bushel. In all states except Colorado, 42 pounds of apples. In Colorado, 40 pounds of apples.

Damaged apple production. A. With respect to losses calculated under section 12 only, the percentage of fresh or processing apple production that fails to grade U.S. No. 1 Processing or better in accordance with the United States Standards for Grades of Apples for processing, or such other standard contained on the Special Provisions, within each lot, bin, bushel or box, as applicable; or

B. With respect to losses calculated under sections 12 and 14—The percentage of fresh apple production that fails to grade U.S. Fancy or better in accordance with the United States Standards for Grades of Apples, or such other standard contained on the Special Provisions, within each lot, bin, bushel or box, as applicable.

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

Fresh apples. Apple production reported from acreage that is intended to be marketed for fresh consumption and is reported as fresh on the acreage report and grades U.S. Fancy or better in accordance with the United States Standards for Grades of Apples, or such other standard contained on the Special Provisions.

Harvest. The picking of mature apples from the trees or collecting of mature apples from the ground. Mature apples that are collected from the ground but cannot be sold for human consumption will not be considered harvested.

Lot. A quantity of production that can be separated from other quantities of production by grade characteristics, load, location or other distinctive features.

Marketable. Apple production that is not damaged apple production.

Maturation. Having reached the full natural growth or development, at which time harvest normally takes place.

Non-contiguous. Any two or more tracts of land whose boundaries do not touch at any point, except that land separated only by a public or private right-of-way, waterway, or an irrigation canal will be considered as contiguous.

Processing apples. Apple production from acreage that is intended to be marketed for processing and is reported as processing on the acreage report, and grades U.S. No. 1 Processing or better in accordance with the United States Standards for Grades of Apples for Processing, or such other standard contained on the Special Provisions.

Production guarantee (per acre). The quantity of apples in bushels, bins, or boxes, determined by multiplying the approved APH yield per acre by the coverage level percentage you elect.

Russetting. The same meaning as the definition of “russetting” contained in the United States Standards for Grades of Apples, or such other standard contained on the Special Provisions.

Sunburn. The same meaning as the definition of “sunburn” contained in the United States Standards for Grades of Apples, or such other standard contained on the Special Provisions.

Type. Either fresh or processing apples.

Variatel group. Apple varieties with similar characteristics that are grouped for insurance purposes as specified in the Special Provisions.

2. Unit Division

(a) In addition to the requirements of section 34(b) of the Basic Provisions, optional units may be established if each optional unit is:

(1) Located on non-contiguous land; and

(2) By varietal group;

(b) Optional units may only be established if the following conditions are met:

(1) You have not elected to insure your apples under the Catastrophic Risk Protection (CAT) Endorsement; and

(2) You have maintained separate production records for each optional unit and you can identify the acreage upon which the apples are produced.

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

In addition to the requirements of section 3 of the Basic Provisions:

(a) You may select only one price election for all the apples in the county insured under this policy unless the Special Provisions provide different price elections by type or varietal group, in which case you may select one price election for each apple type or varietal group designated in the Special Provisions. The price elections you choose for each type or varietal group must have the same percentage relationship to the maximum price offered by us for each type or varietal group. For example, if you choose 100 percent of the maximum price election for one type or varietal group, you must also choose 100 percent of the maximum price election for all other types or varietal groups.

(b) You must report, by the production reporting date designated in section 3 of the Basic Provisions, by type or varietal group if applicable:
(1) Any damage, removal of trees, change in practices, or any other circumstance that may reduce the expected yield below the yield upon which the insurance guarantee is based, and the number of affected acres;
(2) The number of bearing trees on insurable and uninsurable acreage;
(3) The age of the trees and the planting pattern; and
(4) For the first year of insurance for acreage interplanted with another perennial crop, and anytime the planting pattern of such acreage has changed:
(i) The age of the interplanted crop, and type if applicable;
(ii) The planting pattern; and
(iii) Any other information that we request in order to establish your approved yield.
(c) We will reduce the yield used to establish your production guarantee as necessary, based on our estimate of the effect of the following: interplanted perennial crop; removal of trees; damage; change in practices and any other circumstance on the yield potential of the insured crop. If you fail to notify us of any circumstance that may reduce your yields from previous levels, we will reduce your production guarantee as necessary at any time we become aware of the circumstance.
(d) You may not increase your elected or assigned coverage level or the ratio of your price election to the maximum price election if a cause of loss that could or would reduce the yield of the insured crop has occurred prior to the time that you request the increase.

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is October 31 preceding the cancellation for California and August 31 preceding the cancellation date for all other states.

5. Cancellation and Termination Dates

(a) In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are January 31 in California and November 20 in all other states.
(b) If your apple policy is canceled or terminated by us for any crop year, in accordance with the terms of the policy, after insurance attached for that crop year, but on or before the cancellation and termination date whichever is later, insurance will be considered to not have attached for that crop year and no premium, administrative fee, or indemnity will be due for such crop year.
(c) We may not cancel your policy when an insured cause of loss has occurred after insurance attached, but prior to the cancellation date. However, your policy can be terminated if a cause for termination contained in sections 2 or 27 of the Basic Provisions exists.

6. Report of Acreage

In addition to the requirements contained in the section 6 of the Basic Provisions, you must report and designate all acreage by type and varietal group by the acreage reporting date.

7. Insured Crop

In accordance with section 8 of the Basic Provisions, the crop insured will be all the apples in the county for which a premium rate is provided by the actuarial table:
(a) In which you have a share;
(b) That are grown on tree varieties that:
(1) Are adapted to the area; and
(2) Are in area A and have produced at least an average of 10 bins of apples per acre; or
(3) Are in area B and have produced at least an average of 150 bushels of apples per acre; or
(4) Are in area C and have produced at least an average of 200 bushels of apples per acre; and
(c) That are grown in an orchard that, if inspected, is considered acceptable by us.

8. Insurable Acreage

In lieu of the provisions in section 9 of the Basic Provisions that prohibit insurance from attaching to a crop planted with another crop, apples interplanted with another perennial crop are insurable unless we inspect the acreage and determine that it does not meet the requirements contained in your policy.

9. Insurance Period

(a) In accordance with the provisions of section 11 of the Basic Provisions:
(1) For the year of application in California, coverage begins on February 1 of the calendar year the insured crop normally blooms. In all other states, coverage begins November 21 of the calendar year prior to the calendar year the insured crop normally blooms, except that, if your application is received by us after January 12 but prior to February 1 in California, or after November 1 but prior to November 21 in all other states, insurance will attach on the 20th day after your properly completed application is received in our local office, unless we inspect the acreage during the 20 day period and determine that it does not meet insurability requirements. You must provide any information that we require for the crop or to determine the condition of the apple acreage.
(2) For each crop year subsequent to the year of application, that the policy remains continuously in force, coverage begins on the day immediately following the end of the insurance period for the prior crop year. Policy cancellation that results solely from transferring an existing policy to a different insurance provider for a subsequent crop year will not be considered a break in continuous coverage.
(3) For California, the calendar date for the end of the insurance period for each crop year is November 5, or such other date as specified in the Special Provisions. For all other states, the calendar date for the end of the insurance period for each crop year is November 20.

(b) In addition to the provisions of section 11 of the Basic Provisions:
(1) If you acquire an insurable share in any insurable acreage after coverage begins but on or before the acreage reporting date for the crop year, and after an inspection we consider the acreage acceptable, insurance will be considered to have attached to such acreage on the calendar date for the beginning of the insurance period. There will be no coverage of any insurable interest acquired after the acreage reporting date.
(2) If you relinquish your insurable share on any insurable acreage of apples on or before the acreage reporting date for the crop year, insurance will not be considered to have attached to, and no premium or indemnity will be due for such acreage for that crop year unless:
(i) A transfer of coverage and right to an indemnity, or a similar form approved by us, is completed by all affected parties;
(ii) We are notified by you or the transferee in writing of such transfer on or before the acreage reporting date; and
(iii) The transferee is eligible for crop insurance.

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 that occur during the insurance period:
(1) Adverse weather conditions;
(2) Fire, unless weeds and other forms of undergrowth have not been
controlled or pruning debris has not been removed from the orchard;
(3) Earthquake;
(4) Volcanic eruption;
(5) Failure of irrigation water supply, if caused by an insured peril that occurs during the insurance period;
(6) Wildlife; and
(7) All other natural causes of loss that cannot be prevented, including, but not limited to hail, wind, sunburn, and russetting caused by frost or freeze.
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) Disease or insect infestation, unless adverse weather;
(i) Prevents the proper application of control measures or causes properly applied control measures to be ineffective; or
(ii) Causes disease or insect infestation for which no effective control mechanism is available;
(2) Inability to market the apples for any reason other than actual physical damage from an insurable cause specified in this section. For example, we will not pay you an indemnity if you are unable to market due to quarantine, boycott, or refusal of any person to accept production.
11. Duties in the Event of Damage or Loss
In addition to the requirements of section 14 of the Basic Provisions, the following will apply:
(a) You must notify us within 3 days of the date harvest should have started if the crop will not be harvested.
(b) You must notify us at least 15 days before any production from any unit will be sold by direct marketing. We will conduct an appraisal that will be used to determine your production to count for production that is sold by direct marketing. If damage occurs after this appraisal, we will conduct an additional appraisal. These appraisals, and any acceptable records provided by you, will be used to determine your production to count. Failure to give timely notice that production will be sold by direct marketing will result in an appraised amount of production to count of not less than the production guarantee per acre if such failure results in our inability to make the required appraisal.
(c) If you intend to claim an indemnity on any unit, you must notify us at least 15 days prior to the beginning of harvest or immediately if damage is discovered during harvest. You must not sell or dispose of the damaged crop until after we have given you written consent to do so. If you fail to meet the requirements of this section and such failure results in our inability to inspect the damaged production, we may consider all such production to be undamaged and include it as production to count.
12. Settlement of Claim
(a) We will determine your loss on a unit basis. In the event you are unable to provide separate acceptable production records:
(1) For any optional unit, we will combine all optional units for which such production records were not provided; or
(2) For any basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.
(b) In the event of loss or damage covered by this policy, we will settle your claim on any unit by:
(1) Multiplying the insured acreage by its respective production guarantee, by type or varietal group as applicable;
(2) Multiplying each result in section 12(b)(1) by the respective price election;
(3) Totaling the results in section 12(b)(2) if there are more than one type or varietal group;
(4) Multiplying the total production to count (see section 12(c)), for each type or varietal group, by the respective price election;
(5) Totaling the results in section 12(b)(4), if there are more than one type or varietal group;
(6) Subtracting the total in section 12(b)(5) from the total in section 12(b)(3); and
(7) Multiplying the result in section 12(b)(6) by your share. Basic Coverage example:
You have 100 percent share and designated 10 acres of fresh apples and 5 acres of processing apples in the unit on the acreage report, with a 600 bushel per acre guarantee for both fresh and processing apples and a price election of $9.10 per bushel for fresh apples and $4.76 per bushel for processing apples that graded U.S. No. 1 Processing or better. You are only able to harvest 5,000 bushel of fresh apples and 1,000 bushels of processing apples. Your indemnity would be calculated as follows:
(1) 10 acres × 600 bushels = 6,000 bushels guarantee of fresh apples; 5 acres × 600 bushels = 3,000 bushels guarantee of processing apples;
(2) 6,000 bushels × $9.10 price election = $54,600.00 value of guarantee for fresh apples; 3,000 bushels × $4.76 price election = $14,280.00 value of guarantee for processing apples;
(3) $54,600.00 + $14,280.00 = $68,880.00 total value guarantee;
(4) 5,000 bushels × $9.10 price election = $45,500.00 value of production to count for fresh apples; 1,000 bushels × $4.76 price election = $4,760.00 value of production to count for processing;
(5) $45,500.00 + $4,760.00 = $50,260.00 total value of production to count;
(6) $68,880.00 − $50,260.00 = $18,540.00 loss; and
(7) $18,540.00 × 100 percent share = $18,540.00 indemnity payment.
(c) The total apple production to count (in boxes or bushels) from all insurable acreage on the unit will include:
(1) All appraised apple production as follows:
(i) Not less than the production guarantee per acre for acreage:
(A) That is abandoned;
(B) That is sold by direct marketing if you fail to meet the requirements contained in section 11;
(C) That is damaged solely by uninsured causes; or
(D) For which you fail to provide production records that are acceptable to us;
(ii) Apple production lost due to uninsured causes;
(iii) Unharvested apple production that would be marketable if harvested; and
(iv) Potential marketable apple production on insured acreage that you intend to abandon or no longer care for, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end. If you do not agree with our appraisal, we may defer the claim only if you agree to continue to care for the crop. We will then make another appraisal when you notify us of further damage or that harvest is general in the area unless you harvested the crop, in which case we will use the harvested production. If you do not continue to care for the crop, our appraisal made prior to deferring the claim will be used to determine the production to count; and
(2) All harvested marketable apple production from the insurable acreage.
(3) Unharvested and harvested mature fresh apple production to count may be reduced in accordance with section 14 of these Crop Provisions if you elect this option.
13. Late and Prevented Planting
The late and prevented planting provisions of the Basic Provisions are not applicable.
14. Optional Coverage for Fresh Fruit Quality Adjustment.

(a) In the event of a conflict between the Apple Crop Insurance Provisions and this option, this option will control.

(b) In return for payment of the additional premium designated in the actuarial documents, this option provides for quality adjustment of fresh apple production as follows:

1. You must elect this option on or before the sales closing date for the initial crop year for which you wish to insure your apples under this option. This option will continue in effect until canceled by either you or us for any succeeding crop year by written notice to the other party on or before the cancellation date.

2. To be eligible for this option, you must have elected to insure your apples at the additional coverage level. If you elect Catastrophic Risk Protection (CAT) after this option is effective, it will be considered as notice of cancellation of this option by you.

3. This option will apply to all your apple acreage designated in your acreage report as grown for fresh apples and that meets the insurability requirements specified in the Apple Crop Insurance Provisions, except any acreage specifically excluded by the actuarial documents. Any acreage designated in your acreage report as grown for processing apples are not eligible for coverage under this option.

4. In lieu of sections 12(c)(1)(iii) and (iv) and (2), the production to count for appraised and harvested production for a unit will include all fresh apple production in accordance with this option.

5. If appraised or harvested fresh apple production is damaged by an insured cause of loss to the extent that 80 percent or more of the fresh apples do not grade U.S. Fancy or better, in accordance with applicable USDA Standards for Grades of Apples, the following adjustments will apply:

(i) Production to count with 21 through 40 percent of the fresh apples not grading U.S. Fancy or better will be reduced 2 percent for each full percent in excess of 20 percent.

(ii) Production to count with 41 through 50 percent of the fresh apples not grading U.S. Fancy or better will be reduced 40 percent plus an additional 3 percent for each full percent in excess of 40 percent.

(iii) Production to count with 51 percent through 64 percent of the fresh apples not grading U.S. Fancy or better will be reduced 80 percent plus an additional 2 percent for each full percent in excess of 50 percent.

(iv) Production to count with 65 percent or more of the fresh apples not grading U.S. Fancy or better will not be considered as production to count.

The following is an example of loss under the Quality Option Fresh Fruit Coverage: You have 100 percent share and designated 10 acres of fresh apples and 5 acres of processing apples in the unit on the acreage report, with a 600 bushels per acre guarantee for both fresh and processing apples and a price election of $9.10 per bushel for fresh apples and $4.76 per bushel for processing apples that graded U.S. No. 1 Processing or better. You are only able to harvest 5,000 bushels of fresh apples, and of those only 2,750 bushels of apples grade U.S. Fancy or better, and 1,000 bushels of processing apples.

Your indemnity would be calculated as follows:

(1) 10 acres × 600 bushels = 6,000 bushels guarantee of fresh apples; 5 acres × 600 bushels = 3,000 bushels guarantee of processing apples;

(2) 6,000 bushels × $9.10 price election = $54,600.00 value of guarantee for fresh apples; 3,000 bushels × $4.76 price election = $14,280.00 value of guarantee for processing apples;

(3) $54,600.00 + $14,280.00 = $68,880.00 total value guarantee;

(4) 5,000 bushels of fresh apples would be adjusted as follows: 2,750 / 5000 = 55 percent; 5,000 × .45 (40 percent reduction, plus an additional 3 percent for each full percent in excess of 40 percent) = 2,250 bushels × $9.10 = $20,475.00 value of the fresh bushels; 1,000 bushels of processing apples × $4.76 price election = $4,760.00 value of production to count.

(5) $20,475.00 + $4,760.00 = $25,235.00 total value of production to count;

(6) $68,880.00 − $25,235.00 = $43,645.00 loss; and

(7) $43,645.00 × 100 percent share = $43,645.00 indemnity payment.


Ross J. Davidson, Jr.,
Manager, Federal Crop Insurance Corporation.

[FR Doc. 04–6938 Filed 3–26–04; 8:45 am]