

SUMMARY OF CHANGES FOR THE TRITICALE CROP PROVISIONS (22-TC-0158)
(Released June 2021)

The following is a brief description of the changes to the Triticale Crop Provisions that will be effective for the 2022 and succeeding crop years. Please refer to the Crop Provisions for complete information.

- Section 3: Revised the weighted average price election example to include the current maximum contract price factor and the example calculations.
- Section 4: Revised the contract change dates to reflect fall and spring cancellation dates.
- Section 5: Updated the cancellation and termination dates to reflect the expansion of the triticale insurance program.
- Section 8: Updated the insurance period dates to reflect the expansion of the triticale insurance program.
- Section 12: Updated the maximum contract price factor contained in the coverage calculation example and revised the calculations to contained in the examples.



UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
Triticale Crop Provisions

1. Definitions

Adequate stand – A population of live plants per unit of acreage which will produce at least the yield used to establish your production guarantee.

Bushel – A bushel will contain 50 pounds of triticale, unless otherwise specified in the Special Provisions.

Buyer – A business enterprise which acquires triticale production via contract and must possess or have contractual access to facilities with equipment and capacity necessary to handle and store the amount of production under contract.

Contract – A written agreement between you and a buyer, executed on or before the acreage reporting date, which is in effect for the crop year. The contract must include:

- (a) Your commitment to plant, grow and deliver the insured crop to the buyer;
- (b) The buyer's commitment to purchase a specified quantity of production stated in the contract; and
- (c) The contract price.

Contract price – The price specified in a contract, without regard to incentives or discounts. The contract price cannot exceed the maximum contract price.

Contract price election –

- (a) The contract price election applicable to the insured type only if the total production guarantee for the type is insured using the same contract price.
- (b) If either the contract price or the amount of production is not specified in the contract, you may not elect the contract price election.

Harvest – The combining or threshing of the insured crop for grain or cutting for hay or silage on any acreage. A crop which is swathed and not combined or threshed is not considered harvested.

Initially planted – The first occurrence of planting the insured crop on insurable acreage for the crop year.

Local Market Price – The cash grain price per bushel for the applicable quality level offered by buyers in the area in which you normally market the insured crop. The applicable quality level will be based on the quality level of such grain that does not meet the grade requirements for U.S. No. 2 triticale (grades U.S. No. 3 or worse).

Maximum contract price – The price determined by multiplying the price election contained in the actuarial documents by the maximum contract price factor contained in the Special Provisions.

Nurse crop (companion crop) – A crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown.

Planted acreage – In addition to the definition contained in the Basic Provisions, land on which seed is initially spread onto the soil surface by any method and

subsequently is mechanically incorporated into the soil in a timely manner and at the proper depth will be considered planted.

Price election – In lieu of the definition contained in the Basic Provisions:

- (a) The price election will be the price election as defined in the Basic Provisions and contained in the actuarial documents (This price election will be used for the insured crop unless your crop is insured using the contract price election or weighted average price election.); or
- (b) If you choose to provide contracts and contract prices as specified in section 6 of these Crop Provisions, the price election will be either the:
 - (1) Contract price election; or
 - (2) Weighted average price election;whichever is applicable.

Swathed – Severance of the stem and grain head from the ground without removal of the seed from the head and placing into a windrow.

Triticale – A crop species resulting from a breeder's cross between wheat (*Triticum*) and rye (*Secale*).

Weighted average price election – The price election determined in accordance with section 3(b) of these Crop Provisions for each insured type. The weighted average price election cannot exceed the maximum contract price.

2. Unit Division

In addition to the requirements of section 34(c) of the Basic Provisions, basic units will be established by type.

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

- (a) In addition to section 3(b)(iii) of the Basic Provisions, the percentage of the applicable price election, contract price election or weighted average price election as defined in these Crop Provisions will be the same for all insured triticale. For example, if you elect 100 percent of the applicable price election as defined in these Crop Provisions for the winter type of triticale, the same percentage will apply to the applicable price election for spring type of triticale.
- (b) If you are eligible to use contract prices, a weighted average price election will be determined as specified in (b)(1) or (b)(2), as applicable, if:
 - (1) The total production guarantee for the insured type is insured under two or more contracts specifying different contract prices. The weighted average price election will be the weighted average of the applicable contract price(s) for production under contract; or
 - (2) The contracted production is not equal to the total production guarantee for the insured type. The weighted average price election will be the

weighted average of the applicable contract price(s) for production under contract and the price election contained in the actuarial documents for production not under contract.

- (c) The weighted average price election will be applicable to all insured acreage of the insured type.

For Example:

You have a \$8.00/bu. contract price for 4,000 bushels. The price election contained in the actuarial documents is \$4.57/bu. The maximum contract price is \$10.37 (\$4.57 published price election X 2.27 maximum contract price factor).

Unit 1

- 100 Acres Winter Triticale
- 60 Bushel/Acre Approved Yield
- 75% Coverage Level
- 45 Bushel Production Guarantee (per acre)
(60 bu./ac. x 75%)

Unit 2

- 50 Acres Winter Triticale
- 60 Bushel/Acre Approved Yield
- 75% Coverage Level
- 45 Bushel Production Guarantee (per acre)
(60 bu./ac. x 75%)

Total Production Guarantee for Winter Triticale =
(100 Acres x 45 Bushels) + (50 Acres x 45 Bushels) =
6,750 Bushels

Winter Triticale Weighted Average Price Election =
[(4,000 Bushels x \$8.00 Contract Price) + (2,750
Bushels x \$4.57 Price Election)] ÷ 6,750 Bushels =
\$6.60/bu.

4. Contract Changes

In accordance with section 4 of the Basic Provisions, the contract change date is November 30 preceding the cancellation date for counties with a March 15 cancellation date and June 30 preceding the cancellation date for all other counties.

5. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions, the cancellation date and termination dates are:

<u>State and County</u>	<u>Cancellation Date</u>	<u>Termination Date</u>
Alabama; All Colorado counties except Alamosa, Archuleta, Conejos, Costilla, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Rio Grande, Routt, Saguache, and San Miguel; Kansas; Mississippi; Missouri; all Nebraska counties except Box Butte, Dawes, and		

Sheridan; New Mexico; North Carolina; Ohio; Oklahoma; Pennsylvania; Tennessee; and Texas
September 30 September 30

Del Norte, Humboldt, Lassen, Modoc, Plumas, Shasta, Siskiyou and Trinity Counties, California; Archuleta, Custer, Delta, Dolores, Eagle, Garfield, Grand, La Plata, Mesa, Moffat, Montezuma, Montrose, Ouray, Pitkin, Rio Blanco, Routt, and San Miguel Counties, Colorado; Idaho; all Montana counties except Daniels, Roosevelt, Sheridan, and Valley; Box Butte, Dawes, and Sheridan Counties, Nebraska; New York; Oregon; all South Dakota counties except Corson, Walworth, Edmunds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Minnehaha and all South Dakota counties north and east thereof; and Washington September 30 November 30

Arizona; all California counties except Del Norte, Humboldt, Lassen, Modoc, Plumas, Shasta, Siskiyou and Trinity; Nevada; and Utah October 31 November 30

Alamosa, Conejos, Costilla, Rio Grande, and Saguache Counties, Colorado; Minnesota; Daniels, Roosevelt, Sheridan, and Valley Counties, Montana; North Dakota; Corson, Walworth, Edmunds, Faulk, Spink, Beadle, Kingsbury, Miner, McCook, Minnehaha Counties, South Dakota, and all South Dakota counties north and east thereof March 15 March 15

6. Report of Acreage

In addition to the requirements of section 6 of the Basic Provisions, you must provide a copy of all contracts to us on or before the acreage reporting date if you choose to use the contract price(s), in accordance with section 3(b), for the insured crop type.

7. Insured Crop

The crop insured will be triticale that is grown in the county on insurable acreage, and for which premium rates are provided by the actuarial documents:

- (a) In which you have a share;
- (b) That is planted for harvest as grain; and
- (c) That is not, unless insurance is allowed by the Special Provisions:
 - (1) Interplanted with another crop;
 - (2) Planted into an established grass or legume;

- (3) Planted as a nurse crop, unless planted as a nurse crop for new forage seeding, but only if seeded at a normal rate and intended for harvest as grain; or
- (4) Grazed by livestock.

8. Insurance Period

In accordance with section 11 of the Basic Provisions, insurance attaches on each unit or part thereof on the later of the date we accept your application or the date the insured crop is planted.

- (a) The acreage must be planted on or before the final planting date designated in the Special Provisions for the type except as allowed in section 16 of the Basic Provisions.
- (b) Any acreage of the insured type damaged before the final planting date for the type, to the extent that producers in the surrounding area would not normally further care for the type, must be replanted unless we agree that it is not practical to replant.
- (c) In accordance with the provisions contained in section 11(b) of the Basic Provisions, the calendar date for the end of the insurance period is:
 - (1) July 31 in Alabama, Arizona, Mississippi, North Carolina, and Tennessee; and
 - (2) October 31 in California, Colorado, Idaho, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Dakota, Texas, and Washington.

9. Causes of Loss

In addition to the provisions of section 12 of the Basic Provisions, any loss covered by this policy must occur within the insurance period. The specific causes of loss for triticale are:

- (a) Adverse weather conditions;
- (b) Fire;
- (c) Insects, but not damage allowed because of insufficient or improper application of pest control measures;
- (d) Plant disease, but not damage allowed because of insufficient or improper application of disease control measures;
- (e) Wildlife;
- (f) Earthquake;
- (g) Volcanic eruption;
- (h) Failure of the irrigation water supply due to a cause of loss specified in sections 9(a) through (g) that also occurs during the insurance period.

10. Replanting Payments

- (a) A replanting payment is allowed as follows:
 - (1) In lieu of provisions in section 13 of the Basic Provisions that limit the amount of a replanting payment to the actual cost of replanting, the amount of any replanting payment will be determined in accordance with these Crop Provisions;
 - (2) You must comply with all requirements regarding replanting payments contained in section 13 of the Basic Provisions;
 - (3) The insured type must be damaged by an insurable cause of loss to the extent that the

remaining stand will not produce at least 90 percent of the production guarantee for the acreage; and

- (4) The replanted crop must be seeded at a rate sufficient to achieve a total (undamaged and new seeding) plant population that is considered appropriate by agricultural experts for the insured crop, type and practice.
- (b) Unless otherwise specified in the Special Provisions, the amount of the replanting payment per acre will be:
 - (1) The lesser of 20 percent of the production guarantee or four bushels of triticale;
 - (2) Multiplied by the price election contained in the actuarial documents; and
 - (3) Multiplied by your share.
- (c) When the crop is replanted using a practice that is uninsurable for an original planting, the liability on the unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced.

11. Duties In The Event of Damage or Loss

Representative samples are required in accordance with section 14 of the Basic Provisions.

12. Settlement of Claim

- (a) We will determine your loss on a unit basis. In the event you are unable to provide records of production that are acceptable to us for any:
 - (1) Optional unit, we will combine all optional units for which acceptable records of production were not provided; or for any
 - (2) Basic unit, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for each unit.
- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
 - (1) Multiplying the number of insured acres of each type as applicable by its respective production guarantee (per acre);
 - (2) Multiplying each result of 12(b)(1) by its respective price election;
 - (3) Totaling the results of section 12(b)(2);
 - (4) Multiplying the production to count of each type, as applicable, by the respective price election;
 - (5) Totaling the results of section 12(b)(4);
 - (6) Subtracting the result of section 12(b)(5) from the result of section 12(b)(3); and
 - (7) Multiplying the result of section 12(b)(6) by your share.

Example: No contract for triticale is in effect for the type. You have 100 percent share in 50 acres of winter triticale in the unit with a production guarantee per acre of 45 bushels (60 bushel approved yield/acre x 75% coverage level), your price election as contained in the actuarial documents is \$4.57 per bushel, and your production to count is 2,000 bushels. Your premium rate is 6.0 percent.

The premium due is \$617.00 (45 bu./ac. production guarantee X 4.57/bu. price election X 50 acres X .06 premium rate X 100% share).

- (1) 50 acres x 45-bushel production guarantee/ acre = 2,250-bushel production guarantee;
- (2) 2,250-bushel production guarantee x \$4.57 price election = \$10,283.00 value of the production guarantee;
- (4) 2,000-bushel production to count x \$4.57 price election = \$9,140.00 value of the production to count;
- (6) \$10,283.00 – \$9,140.00 = \$1,143.00; and
- (7) \$1,143.00 x 1.000 share = \$1,143.00 indemnity.

Example: A contract for 100 percent of the production guarantee is in effect for the type. You have 100 percent share in 50 acres of winter triticale in the unit with a production guarantee per acre of 45 bushels (60 bushel approved yield per acre x 75% coverage level), your production guarantee for the type is 2,250 bushels (50 acres x 45 bushel/acre guarantee), your contracted production is 2,250 bushels, your contract price election is \$8.00 per bushel, and your production to count is 2,000 bushels. The maximum contract price is \$10.37 (\$4.57 published price election X 2.27 maximum contract price factor). Your premium rate is 6.0 percent.

The premium due is \$1,080.00 (45 bu./ac. production guarantee X 8.00/bu. price election X 50 acres X .06 premium rate X 100 % share).

- (1) 50 acres x 45-bushel production guarantee/acre = 2,250-bushel production guarantee;
- (2) 2,250-bushel production guarantee x \$8.00 contract price election = \$18,000.00 value of the production guarantee;
- (4) 2,000-bushel production to count x \$8.00 contract price election = \$16,000.00 value of the production to count;
- (6) \$18,000.00 – \$16,000.00 = \$2,000.00; and
- (7) \$2,000.00 x 1.000 share = \$2,000.00 indemnity.

Example: Multiple prices applicable to the type:
You have 100 percent share in 50 acres of winter triticale in the unit with a production guarantee per acre of 45 bushels (60-bushel approved yield/acre x 75% coverage level), your production to count is 2,000 bushels. You have a contract for 1,500 bushels with a contract price of \$8.00 per bushel. The published price election contained in the actuarial documents for 750 bushels not under contract (2,250-bushel production guarantee – 1,500 bushels under contract = 750 bushels) is \$4.57 per bushel. The maximum contract price is \$10.37 (\$4.57 published price election X 2.27 maximum contract price factor). Your premium rate is 6.0 percent.

The weighted average price election (in accordance with section 3(b) of these Crop Provisions) for all insured winter triticale in the county is \$6.86 per bushel $\{[(1,500 \text{ bushels} \times \$8.00 \text{ contract price}) + (750 \text{ bushels} \times \$4.57 \text{ price election})] \div 2,250\text{-bushel production guarantee}\}$.

The premium due is \$926.00 (45 bu./ac. production guarantee X 6.86/bu. price election X 50 acres X .06 premium rate X 100 % share).

- (1) 50 acres x 45-bushel production guarantee/acre = 2,250-bushel production guarantee;
- (2) 2,250-bushel production guarantee x \$6.86 weighted average price election = \$15,435.00 value of the production guarantee;
- (4) 2,000-bushel production to count x \$6.86 weighted average price election = \$13,720.00 value of production to count;
- (6) \$15,435.00 - \$13,720.00 = \$1,715.00; and
- (7) \$1,715.00 x 1.000 share = \$1,715.00 indemnity.

(c) The total production to count (in bushels) from all insurable acreage on the unit will include:

- (1) All appraised production as follows:
 - (i) Not less than the production guarantee (per acre) for acreage:
 - (A) Which is abandoned;
 - (B) Put to another use without our consent;
 - (C) Damaged solely by uninsured causes; or
 - (D) For which you fail to provide records of production that are acceptable to us;
 - (ii) Production lost due to uninsured causes;
 - (iii) Unharvested production (mature unharvested production may be adjusted for quality deficiencies and excess moisture in accordance with section 12(d));
 - (iv) 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 you 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 production from the insurable acreage.
- (d) Mature triticale production may be adjusted for excess moisture and quality deficiencies.
- (1) If a moisture adjustment is applicable, it will be made prior to any adjustment for quality. Eligible production will be reduced by .12 percent for each .1 percentage point of moisture in excess of 12 percent. We may obtain samples of the production to determine the moisture content.
- (2) Production will be eligible for quality adjustment if:
- (i) The local market price per bushel for the damaged triticale determined by us is less than 90 percent of your price election due to deficiencies in quality because of the damaged triticale not meeting the grade requirements for U.S. No. 2 (grades U.S. No. 3 or worse) due to test weight, total damaged kernels (heat-damaged kernels will not be considered to be damaged); shrunken or broken kernels; defects (foreign material and heat damage will not be considered to be defects); a musty, sour, or commercially objectionable foreign odor (except smut odor); or grading garlicky, light smutty, smutty, or ergoty; or
- (ii) Substances or conditions are present, including mycotoxins, that are identified by the Food and Drug Administration or other public health organizations of the United States as being injurious to human or animal health.
- (3) Quality will be a factor in determining your loss only if:
- (i) The deficiencies, substances, or conditions resulted from a cause of loss against which insurance is provided under these Crop Provisions;
- (ii) All determinations of these deficiencies, substances, or conditions are made using samples of the production obtained by us or by a disinterested third party approved by us;
- (iii) With regard to deficiencies in quality (except test weight, which may be determined by our loss adjustor), the samples are analyzed by:
- (A) A grain grader licensed under the United States Grain Standards Act or the United States Warehouse Act;
- (B) A grain grader licensed under State law and employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation; or
- (C) A grain grader not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation and is in

- compliance with State law regarding warehouses; and
- (iv) With regard to substances or conditions injurious to human or animal health, the samples are analyzed by a laboratory approved by us.
- (4) Mature triticale production that is eligible for quality adjustment, as specified in sections 12(d)(2) and (3), will be determined by:
- (i) Dividing the local market price, per bushel determined by us for such damaged triticale production, by your price election; and
- (ii) Multiplying the result by the number of bushels of damaged triticale production.
- (e) Any production harvested from plants growing in the insured crop may be counted as production of the insured crop on a weight basis.

13. Late Planting

In lieu of section 16(a) of the Basic Provisions, the production guarantee for each acre planted to the insured crop during the late planting period will be reduced by 1 percent per day for each day planted after the final planting date unless otherwise specified in the Special Provisions.

14. Prevented Planting

Your prevented planting coverage will be a percentage specified in the actuarial documents of your production guarantee for timely planted acreage. If you have additional coverage and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents.

15. Written Agreements

The written agreement provisions of the Basic Provisions are not applicable.