



United States  
Department of  
Agriculture

September 12, 2023

**INFORMATIONAL MEMORANDUM**

Farm Production  
and Conservation

**TO:** All Southeast Approved Insurance Providers Writing in Florida

Risk  
Management  
Agency

**FROM:** Davina S Lee /s/  
Director

106 S. Patterson  
Street, Suite 250  
Valdosta, GA  
31601

**SUBJECT:** Crop Year 2025 Regional Underwriting Guidelines for Actual Production History (APH) Florida Citrus in the Valdosta Region

**BACKGROUND:**

The 2024 FCIC 18010 Crop Insurance Handbook (CIH) authorizes the Risk Management Agency (RMA) Regional Offices to issue underwriting procedures for Category C crops that modify procedure and to provide additional underwriting procedure for regional exceptions.

Paragraph 1863 APH Database Tests for High Variability of Actual Yields of the CIH provides procedure and formulas designed to identify alternate bearing and downward yield trending for Category C crop yields. Events that caused widespread damage to APH Florida Citrus crops are listed in the chart below:

Reinsurance Year	Crop Year	Event(s)	Crop/Applicable States
2022	2023	Hurricane, Wind	APH Citrus: FL

This damage may inadvertently identify certain APH Florida Citrus crops for high variability adjustments. To expedite the approved Actual Production History (APH) yield process and decrease the number of requests for Regional Office determined yields, the Valdosta Regional Office issues these guidelines.

Paragraph 2202 of the CIH outlines issuance and use of RO Underwriting Guidelines (UG). Paragraph 2205B Category C Crops provides RO Determined Yield request requirements. Paragraph 2233A provides additional guidance for High Variability Determined Yields.

Effective for the 2025 crop year, these Regional Office UG are in effect for Florida APH Citrus Fruit in the state of Florida.

## **ACTION**

Effective for the 2025 crop year in all Florida counties, the AIP may exclude the 2023 crop year yield from all High Variability calculations when a database triggers an adjustment for high variability in accordance with CIH paragraph 1863 D Alternate Bearing Tests or 1863 E Downward Trending Test.

### **A. High Variability - Yield Variance Test:**

If the APH database does not meet the requirements in CIH paragraph 1863 C steps 3 and 4 when 2023 is excluded, no further APH database tests are conducted and no adjustment for high variability is required. The database must be identified with special case yield indicator “D” to show that alternate bearing or downward trend criteria was met, but adjustments were waived by this UG. If applicable, Yield Adjustment (YA) and Yield Exclusion (YE) are authorized. Yield Cup (YC) is not applicable. For guidance on Yield Limitation Flags, see the 2024 CIH, Exhibit 22.

If the APH database meets the requirements in CIH paragraph 1863 C steps 3 and 4 when 2023 is excluded, the AIP must conduct the Alternate Bearing and Downward Trending tests excluding 2023 crop year yield from the calculations (see B and C below).

### **B. High Variability – Alternate Bearing Test:**

Testing for alternate bearing (CIH 1863 D) should be conducted before testing for downward trending (CIH 1863 E). When conducting the alternate bearing test, exclude the 2023 crop year yield from all calculations and substitute with the most recent year(s) to reach the number of years required by the calculation. If the requirements of CIH paragraph 1863 D are met, the database must be adjusted for alternate bearing and identified with special case yield indicator “AF”, also see Exhibit A. YA, YE, and YC are not applicable. For guidance on Yield Limitation Flags, see the 2024 CIH, Exhibit 22. The downward trending test in CIH paragraph 1863 E should only be performed if requirements for CIH paragraph 1863 D are not met.

### **C. High Variability – Downward Trending Test:**

When conducting the downward trending test, exclude the 2023 crop year yield from all calculations. Divide the average of the most recent three years prior to 2023 that were not eligible for YE by the average of the actual yields prior to 2023 in the database. If the requirements of CIH paragraph 1863 E are met, the database must be adjusted for

downward trending and identified with special case yield indicator “DF”. YA, YE, and YC are not applicable, also see the 2024 CIH, Exhibit 22.

If the APH database does not meet the requirements in CIH paragraph 1863 D and/or E when 2023 is excluded or if there are less than four actual yields remaining for the calculations after the exclusion of the 2023 crop year, no adjustment to the APH database is applicable. The database must be identified with special case yield indicator “D” to show that alternate bearing or downward trend criteria was met, but adjustments were waived by this UG. If applicable, YA and YE, are authorized. YC is not applicable. For guidance on Yield Limitation Flags, see the 2024 CIH, Exhibit 22.

If an APH database is still adjusted for alternate bearing or downward trending by the AIP after this UG is applied, the insured may request an RO Determined Yield in accordance with CIH paragraph 1863 F.

Please contact the Valdosta Regional Office at [RSOGA@usda.gov](mailto:RSOGA@usda.gov) if you have any additional questions.

**DISPOSAL DATE**

August 31, 2024