

**SUMMARY OF CHANGES FOR FLORIDA CITRUS FRUIT CROP PROVISIONS (14-0026)
(Released March 2013)**

The Florida Citrus Fruit Crop Provisions were re-released in March 2013 to correct typographical errors in section 10.

The following is a brief description of changes to the Florida Citrus Fruit Crop Provisions that will be effective for the 2014 and succeeding crop years. Please refer to the Florida Citrus Fruit Crop Provisions for more complete information.

Section 1 – Definitions

- Removed the definitions of “citrus fruit crop” and “citrus fruit type (fruit type).”
- Added definitions of “age class,” “citrus fruit commodity,” “citrus fruit group,” commodity type,” “intended use,” and “unmarketable.”
- Revised the definitions of “amount of insurance (per acre)” and “excess wind.”

Section 2 – Unit Division

- Revised paragraph (a) to allow basic units by citrus fruit group.

Section 3 – Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities

- Revised paragraph (a) to allow separate coverage levels to be selected for each citrus fruit group.
- Revised paragraph (c) by listing the information that must be reported by the acreage reporting date.
- Revised paragraph (d) by listing the circumstances that require a reduction in insurable acreage, amount of insurance, or both.
- Designated the undesignated paragraph at the end of paragraph (d) as paragraph (e), and revised the newly designated paragraph (e) to clarify the circumstances that if the producer fails to report will result in a reduction in the acreage, amount of insurance, or both if necessary.
- Removed paragraph (f), and redesignated paragraph (e) as paragraph (f).

Section 6 – Insured Crop

- Revised paragraph (a) to state the insured crop will be all the acreage of each citrus fruit group that you elect to insure, in which you have a share, that is grown in the county shown on the application, and for which a premium rate is quoted in the actuarial documents.
- Revised paragraph (b)(2) to require trees to be set out by April 15 to be considered a growing season.
- Added a new paragraph (f) to indicate the requirements to qualify for fresh fruit coverage.

Section 7 – Insurable Acreage

- Designated the undesignated paragraph at the beginning of the section as paragraph (a) and redesignated subparagraphs (a), (b), and (c) as (1), (2), and (3) respectively.
- Added a new paragraph (b) that prohibits insurance attaching to citrus acreage that has been abandoned.

Section 8 – Insurance Period

- Revised paragraph (b)(1) to state that acreage acquired after the acreage reporting date is not insurable unless a transfer of coverage and right to indemnity is executed in accordance with section 28 of the Basic Provisions.
- Revised paragraph (b)(2) to clarify if your insurable share is relinquished on or before the acreage reporting date, insurance will not attach.

Section 9 – Causes of Loss

- Revised paragraph (a)(6) to allow excess wind to be an insurable cause of loss for both fruit insured as fresh and juice.

Section 10 – Settlement of Claim

- Removed paragraphs (c), (d), (f), and (g).
- Added a new paragraph (c) that states any individual citrus fruit will be considered 100 percent damaged if due to an insurable cause of loss it is on the ground and unmarketable or it is unmarketable because it is immature, unwholesome, decomposed, adulterated, or otherwise unfit for human consumption.
- Redesignated paragraph (e) as paragraph (d) and revised the method prescribed in the paragraph to be applicable to all causes of loss and for fruit insured as fresh with a Fresh Fruit Factor listed in the Special Provisions in addition to fruit insured as juice.
- Redesignated paragraph (h) as paragraph (e) and revised it to apply to all causes of loss for citrus fruit insured as fresh unless otherwise provided in the Special Provisions.



**UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
FLORIDA CITRUS FRUIT CROP PROVISIONS**

1. Definitions.

Age class – Trees in the unit are grouped by age, with each insurable age group of a particular citrus fruit commodity, commodity type, and intended use receiving a Reference Maximum Dollar Amount shown in the actuarial documents that is used to calculate the amount of insurance for the unit.

Amount of insurance (per acre) - The dollar amount determined by multiplying the Reference Maximum Dollar Amount shown on the actuarial documents for each applicable combination of commodity type, intended use, and age class of trees, within a citrus fruit commodity, times the coverage level percent that you elect, times your share.

Box - A standard field box as prescribed in the State of Florida Citrus Fruit Laws or contained in standards issued by FCIC.

Buckhorn - To prune any limb at a diameter of at least three inches for citrus.

Citrus fruit commodity — Citrus fruit as follows:

- (1) Oranges;
- (2) Grapefruit;
- (3) Tangelos;
- (4) Mandarins/Tangerines;
- (5) Tangors;
- (6) Lemons;
- (7) Limes; and
- (8) Any other citrus fruit commodity designated in the actuarial documents.

Citrus fruit group – A designation in the Special Provisions used to identify combinations of commodity types and intended uses within a citrus fruit commodity that may be grouped together for the purposes of electing coverage levels and identifying the insured crop.

Commodity type - A specific subgroup of a commodity having a characteristic or set of characteristics distinguishable from other subgroups of the same commodity.

Excess wind - A natural movement of air that has sustained speeds exceeding 58 miles per hour (50 knots) recorded at the U.S. National Weather Service (NWS) reporting station (reported as MAX SUST (KT)), the Florida Automated Weather Network (FAWN) reporting station (reported as 10m Wind (mph)), or any other weather reporting station identified in the Special Provisions operating nearest to the insured acreage at the time of damage.

Freeze - The formation of ice in the cells of the fruit caused by low air temperatures.

Harvest - The severance of mature citrus fruit from the tree by pulling, picking, shaking, or any other means, or collecting the marketable citrus fruit from the ground.

Hurricane - A windstorm classified by the U.S. Weather Service as a hurricane.

Intended use - The producer's expected end use or

disposition of the commodity at the time the commodity is reported. Insurable intended uses will be specified in the Special Provisions.

Interstock - The area of the tree that is grafted to a rootstock. For example, the rootstock may be Sour Orange, and the interstock grapefruit, and the grafted scion Valencia orange.

Potential production - The amount, converted to boxes, of citrus fruit that would have been produced had damage not occurred.

(a) Including citrus fruit that:

- (1) Was harvested before damage occurred;
- (2) Remained on the tree after damage occurred;
- (3) Except as provided in (b), was missing, damaged, or destroyed from either an insured or uninsured cause;
- (4) Was marketed or could be marketed as fresh citrus fruit;
- (5) Was harvested prior to inspection by us; or
- (6) Was harvested within 7 days after a freeze;

(b) Not including citrus fruit that:

- (1) Was missing, damaged, or destroyed before insurance attached for any crop year;
- (2) Was damaged or destroyed by normal dropping; or
- (3) Any tangerines that normally would not meet the 210 pack size (2 and 4/16 inch minimum diameter) under United States Standards by the end of the insurance period for tangerines.

Scion - A detached living portion of a plant joined to a stock in grafting.

Top worked - A buckhorned citrus tree with a new scion grafted onto the interstock.

Unmarketable – Citrus fruit that cannot be processed into products for human consumption.

2. Unit Division.

- (a) Basic units will be established in accordance with section 1 of the Basic Provisions.
- (b) Provisions in the Basic Provisions that allow optional units by irrigated and non-irrigated practices are not applicable.
- (c) In addition to establishing optional units by section, section equivalent, or FSA farm serial number, optional units may be established if each optional unit is located on non-contiguous land.

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 coverage level for each citrus fruit group that you elect to insure. If different amounts of insurance are available for commodity types within a citrus fruit group, you must select the same coverage level for each commodity type. For example, if you choose the 75 percent coverage

level for one commodity type, you must also choose the 75 percent coverage level for all other commodity types within that citrus fruit group.

- (b) The production reporting requirements contained in section 3 of the Basic Provisions are not applicable.
- (c) You must report, by the acreage reporting date designated in the actuarial documents:
 - (1) Any event or action that could reduce the yield per acre of the insured citrus fruit commodity (including but not limited to removal of trees, any damage, disease, change in cultural practices, or any other circumstance that may reduce the productive capacity of the trees) and the number of affected acres;
 - (2) The number of trees on insurable and uninsurable acreage, including interplanted trees;
 - (3) The age of the trees and the planting pattern; and
 - (4) Any other information we request in order to establish your amount of insurance.
- (d) We will reduce insurable acreage or the amount of insurance or both, as necessary:
 - (1) Based on our estimate of the effect of the interplanted trees on the insured commodity type;
 - (2) Following a decrease in plant stand;
 - (3) If cultural practices are performed that may reduce the productive capacity of the trees;
 - (4) If disease or damage occurs to the trees that may reduce the productive capacity of the trees; or
 - (5) Any other circumstance that may reduce the productive capacity of the trees or that may reduce the yield per acre from previous levels.
- (e) If you fail to notify us of any circumstance that may reduce the acreage, the productive capacity of the trees, or the yield per acre from previous levels, we will reduce the acreage or amount of insurance or both as necessary any time we become aware of the circumstance.
- (f) For carryover policies:
 - (1) Any changes to your coverage must be requested on or before the sales closing date;
 - (2) Requested changes will take effect on May 1, the first day of the crop year, unless we reject the requested increase based on our inspection, or because a loss occurs on or before April 30 (Rejection can occur at any time we discover loss has occurred on or before April 30); and
 - (3) If the increase is rejected, coverage will remain at the same level as the previous crop year.

4. Contract Changes.

In accordance with section 4 of the Basic Provisions, the contract change date is January 31 preceding the cancellation date.

5. Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are April 30.

6. Insured Crop.

- (a) In accordance with section 8 of the Basic Provisions, the insured crop will be all acreage of each citrus fruit group that you elect to insure, in which you

have a share, that is grown in the county shown on the application, and for which a premium rate is quoted in the actuarial documents.

- (b) In addition to the citrus fruit not insurable in section 8 of the Basic Provisions, we do not insure any citrus fruit:
 - (1) That cannot be expected to mature each crop year within the normal maturity period for the commodity type;
 - (2) Produced by citrus trees that have not reached the fifth growing season after being set out, unless otherwise provided in the Special Provisions or by a written agreement to insure such citrus fruit (In order for the year of set out to be considered as a growing season, citrus trees must be set out on or before April 15 of the calendar year);
 - (3) Of "Meyer Lemons," "Sour Oranges," or "Clementines";
 - (4) Of the Robinson tangerine variety, for any crop year in which you have elected to exclude such tangerines from insurance (You must elect this exclusion prior to the crop year for which the exclusion is to be effective, except that for the first crop year you must elect this exclusion by the later of the sales closing date or the time you submit the application for insurance);
 - (5) That is produced on citrus trees that have been topworked until the third crop year after topworking. The Special Provisions will specify the appropriate rate class for trees insurable following topworking, but that have not reached full production; or
 - (6) Of any commodity type not specified as insurable in the Special Provisions.
- (c) Prior to the date insurance attaches, and upon our approval, you may elect to insure or exclude from insurance any insurable citrus acreage that has a potential production of less than 100 boxes per acre. If you elect to:
 - (1) Insure such acreage, we will consider the potential production to be 100 boxes per acre when determining the amount of loss; or
 - (2) Exclude such acreage, we will disregard the acreage for all purposes related to this policy.
- (d) In addition to the provisions in section 6 of the Basic Provisions, if you fail to notify us of your election to insure or exclude citrus acreage, and the potential production from such acreage is 100 or more boxes per acre, we will determine the percent of damage on all of the insurable acreage for the unit, but will not allow the percent of damage for the unit to be increased by including such acreage.
- (e) Potential production will be determined during loss adjustment.
- (f) For citrus fruit for which fresh fruit coverage is available as designated in the actuarial documents:
 - (1) Management records must be available upon request to verify good fresh citrus fruit production practices were followed from the beginning of bloom stage until harvest; and
 - (2) Unless otherwise provided in the Special Provisions:

- (i) Acceptable fresh fruit sales records must be provided upon request from at least one of the previous three crop years; or
- (ii) For fresh fruit acreage new to the operation or for acreage in the initial year of fresh fruit production, a current year fresh fruit marketing contract must be provided to us upon request.

7. Insurable Acreage.

- (a) In lieu of the provisions in section 9 of the Basic Provisions that prohibit insurance attaching to interplanted acreage:
 - (1) Citrus fruit from trees interplanted with another commodity type or another agricultural commodity is insurable unless we inspect the acreage and determine it does not meet the requirements contained in your policy.
 - (2) If the citrus fruit is from trees interplanted with another commodity type or another agricultural commodity, acreage will be prorated according to the percentage of the acres occupied by each of the interplanted commodity types or agricultural commodities. For example, if grapefruit have been interplanted with oranges on 100 acres and the grapefruit trees are on 50 percent of the acreage, grapefruit will be considered planted on 50 acres and oranges will be considered planted on 50 acres.
 - (3) The combination of the citrus fruit acreage and the interplanted acreage cannot exceed the physical amount of acreage.
- (b) In addition to section 9 of the Basic Provisions, any acreage of citrus fruit that has been abandoned is not insurable.

8. Insurance Period.

- (a) In accordance with the provisions of section 11 of the Basic Provisions:
 - (1) Coverage begins on May 1 of each crop year, unless:
 - (i) For new or carryover policies, as applicable, we inspect the acreage and determine it does not meet the requirements for insurability contained in your policy (You must provide any information we require, so we may determine the condition of the acreage to be insured); or
 - (ii) For carryover policies, you report additional citrus acreage, or a greater share, such that the amount of insurance will increase by more than 10 percent and we notify you all or a part of your citrus acreage is not insurable.
 - (2) The calendar date for the end of the insurance period for each crop year, unless specified otherwise in the Special Provisions, is:
 - (i) February 7 for navel oranges, Orlando tangelos and tangerines;
 - (ii) February 28 for early-season oranges and all other tangelos;
 - (iii) March 31 for mid-season oranges and temples;
 - (iv) April 30 for lemons and limes;

- (v) May 15 for murcotts; and
- (vi) June 30 for grapefruit and late-season oranges.
- (b) In addition to the provisions of section 11 of the Basic Provisions:
 - (1) Acreage acquired after the acreage reporting date for the crop year is not insurable unless a transfer of coverage and right to indemnity is executed in accordance with section 28 of the Basic Provisions.
 - (2) If you relinquish your insurable share on any insurable acreage of citrus fruit on or before the acreage reporting date of the crop year, insurance will not attach, no premium will be due, and no indemnity payable, for such acreage for that crop year.

9. 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 to citrus fruit that occur within the insurance period:
 - (1) Fire, unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the grove;
 - (2) Freeze;
 - (3) Hail;
 - (4) Hurricane;
 - (5) Tornado;
 - (6) Excess wind; or
 - (7) Diseases, but only if specified in the Special Provisions.
- (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) Damage to the blossoms or trees; or
 - (2) Inability to market the citrus fruit 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.

10. 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 units, we will combine all optional units for which such production records were not provided; or
 - (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.
- (b) If any citrus fruit within a unit is damaged by an insurable cause of loss, we will settle your claim by:
 - (1) Calculating the amount of insurance for the unit by multiplying the number of acres by the respective dollar amount of insurance per acre for each applicable combination of commodity type, intended use, and age class of trees in the unit and multiplying that result by your share;
 - (2) Calculating the average percent of damage to the fruit within each respective combination of

- commodity type, intended use, and age class of trees, rounded to the nearest tenth of a percent (0.1%) (To determine the percent of damage, the amount of citrus fruit damaged from an insured cause must be converted to boxes and divided by the potential production);
- (3) Subtracting the deductible from the result of section 10(b)(2);
 - (4) If the result of section 10(b)(3) is positive, dividing this result by the coverage level percentage (If the result of section 10(b)(3) is negative, no indemnity will be due);
 - (5) Multiplying the result of section 10(b)(4) by the amount of insurance for the unit for the respective combination of commodity type, intended use, and age class of trees, to determine the value of all damage; and
 - (6) Totaling all such results of section 10(b)(5) for all applicable combinations of commodity types, intended uses, and age classes of trees in the unit and subtracting any indemnities paid for the current crop year to determine the amount payable for the unit. For example, assume a 55-acre unit sustains late season damage. No previous damage has occurred on the unit during the crop year and no fruit has been harvested. The producer elected the 75 percent coverage level and has a 100 percent share. The amount of insurance is \$1,180 per acre, based on the 75 percent coverage level, for the commodity type, intended use, and age class of trees. The amount of potential production is 24,530 boxes and the amount of damaged production is 17,171 boxes. The loss would be calculated as follows:
 1. 55 acres x \$1,180 = \$64,900 amount of insurance for the unit;
 2. $17,171 \div 24,530 = 70$ percent average percent of damage;
 3. 70 percent damage – 25 percent deductible (100 percent - 75 percent) = 45 percent;
 4. $45 \text{ percent} \div 75 \text{ percent} = 60$ percent adjusted damage; and
 5. $60 \text{ percent} \times \$64,900 = \$38,940$ indemnity.
- (c) Any individual citrus fruit will be considered 100 percent damaged, if due to an insurable cause of loss it is:
- (1) On the ground and unmarketable; or
 - (2) Unmarketable because it is immature, unwholesome, decomposed, adulterated, or otherwise unfit for human consumption.
- (d) Any citrus fruit that can be processed into products for human consumption will be considered marketable. The percent of damage for the marketable citrus fruit (excluding citrus fruit sold as fresh or damaged due to uninsured causes) will be determined by:
- (1) Subtracting the juice content of the marketable citrus fruit (excluding citrus fruit sold as fresh or damaged due to uninsured causes) from:
 - (i) The average juice content of the fruit produced on the unit for the three previous crop years based on your records, if they are acceptable to us; or
 - (ii) The default juice content provided in the Special Provisions, if at least three years of acceptable juice records are not furnished or the citrus fruit is insured as fresh;
 - (2) Subtracting the juice content of the marketable citrus fruit (excluding citrus fruit sold as fresh or damaged due to uninsured causes) from the official weight per box for the applicable commodity type provided in the Special Provisions;
 - (3) Dividing the result of section 10(d)(1) by the result of 10(d)(2);
 - (4) Dividing the official weight per box for the applicable commodity type provided in the Special Provisions by:
 - (i) The average juice content of the fruit produced on the unit for the three previous crop years based on your records, if they are acceptable to us; or
 - (ii) The default juice content provided in the Special Provisions, if at least three years of acceptable juice records are not furnished or the citrus fruit is insured as fresh; and
 - (5) Multiplying the result of section 10(d)(3) by the result of 10(d)(4); and
 - (6) For citrus fruit insured as fresh that has a Fresh Fruit Factor listed in the Special Provisions, making an additional adjustment to the percent of damage by:
 - (i) Subtracting the result of section 10(d)(5) from 1;
 - (ii) Multiplying the result of section 10(d)(6)(i) by the applicable Fresh Fruit Factor located in the Special Provisions; and
 - (iii) Adding the result of section 10(d)(6)(ii) to the result of section 10(d)(5).
- (e) Notwithstanding section 10(d), for citrus fruit insured as fresh, unless otherwise provided in the Special Provisions, any individual citrus fruit not meeting the applicable United States Standards for packing as fresh fruit due to an insured cause of loss will be considered 100 percent damaged, except that the percent of damage for any production sold for an alternative use will be adjusted in accordance with section 10(d).
- 11. Late and Prevented Planting.**
The late and prevented planting provisions of the Basic Provisions are not applicable.