## SUMMARY OF CHANGES FOR THE MILLET CROP PROVISIONS (17-017) (Released November 2016)

The following is a brief description of changes to the crop provisions that will be effective for the 2017 crop year. Please refer to the crop provisions for more complete information.

Section 12 – Removed the prevented planting coverage level percent specified in the Crop Provisions to specify the percent in the actuarial documents to allow updates to the percent as needed. Removed the reference to subpart T.

(Released November 2016)

# UNITED STATES DEPARTMENT OF AGRICULTURE Federal Crop Insurance Corporation MILLET CROP PROVISIONS



#### 1. Definitions.

**Bushels** - Fifty pounds of millet, or any other quantity which is designated in the Special Provisions for that purpose.

**Harvest** - Combining or threshing the millet for grain. A crop that is swathed prior to combining is not considered harvested.

Late planting period - In lieu of the definition contained in the Basic Provisions, the period that begins the day after the final planting date for the insured crop and ends 20 days after the final planting date

**Local market price** - The cash price for millet with a 50-pound test weight adjusted to zero percent foreign material content basis offered by buyers in the area in which you normally market the millet. Factors not associated with grading, including, but not limited to, moisture content, will not be considered.

**Millet** - Proso millet produced for grain to be used primarily as bird and livestock feed.

**Nurse crop** (companion crop) - A crop planted into the same acreage as another crop, that is intended to be harvested separately, and that 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 is subsequently mechanically incorporated into the soil in a timely manner and at the proper depth. Acreage planted in any manner not contained in this definition will not be insurable unless otherwise provided by the Special Provisions.

**Swathed** - Severance of the stem and grain head from the ground without removal of the seed from the head and placing into a row.

### 2. Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities.

In addition to the requirements of section 3 of the Basic Provisions, you may select only one price election for all the millet in the county insured under this policy.

#### 3. Contract Changes.

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

#### 4. Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are March 15.

#### 5. Insured Crop.

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

- (a) In which you have a share;
- (b) That is planted for harvest as grain;

- (c) That is not planted as a nurse crop; and
- (d) That is not (unless allowed by Special Provisions or written agreement):
  - (1) Interplanted with another crop; or
  - (2) Planted into an established grass or legume.

#### 6. Insurable Acreage.

In addition to section 9 of the Basic Provisions, any acreage of the insured crop damaged before the final planting date, to the extent that a majority of producers in the area would not normally further care for the crop, must be replanted unless we agree that it is not practical to replant.

#### 7. Insurance Period.

In accordance with section 11 of the Basic Provisions, the calendar date for the end of the insurance period is the date immediately following planting (unless otherwise specified in the Special Provisions) as follows:

- (a) October 10 for North Dakota, South Dakota, and Wyoming; and
- (b) October 31 for all other states.

#### 8. Causes of Loss.

In accordance with section 12 of the Basic Provisions, insurance is provided only against the following causes of loss that occur within the insurance period:

- (a) Adverse weather conditions;
- (b) Fire
- (c) Insects, but not damage due to insufficient or improper application of pest control measures;
- (d) Plant disease, but not damage due to insufficient or improper application of disease control measures;
- (e) Wildlife:
- (f) Earthquake;
- (g) Volcanic eruption; or
- (h) Failure of the irrigation water supply due to a cause of loss specified in sections 8(a) through (g) that also occurs during the insurance period.

#### 9. Duties In The Event of Damage or Loss.

In accordance with section 14 of the Basic Provisions, the representative samples of the unharvested crop must be at least 10 feet wide and extend the entire length of each field in the unit. The samples must not be harvested or destroyed until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed.

#### 10. Settlement of Claim.

- (a) We will determine your loss on a unit basis. In the event you are unable to provide records of production:
  - For any optional unit, we will combine all optional units for which acceptable records of production 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 each unit.

- (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 the production guarantee;
  - (2) Subtracting the total production to count (See section 10(c)) from the result of section 10(b)(1);
  - (3) Multiplying the result of section 10(b)(2) by your price election; and
  - (4) Multiplying the result of section 10(b)(3) by your share.

#### For example:

You have a 100 percent share in 100 acres of millet in the unit, with a guarantee of 15 bushels per acre and a price election of \$4.00 per bushel. You are only able to harvest 800 bushels. Your indemnity would be calculated as follows:

- (1) 100 acres X 15 bushel = 1,500 bushel guarantee;
- (2) 1,500 bushel guarantee 800 bushel production to count = 700 bushel loss;
- (3) 700 bushels X \$4.00 price election = \$2,800 loss; and
- (4) \$2,800 X 100 percent share = \$2,800 indemnity payment.
- (c) The total production (bushels) to count from all insurable acreage on the unit will include:
  - (1) All appraised production as follows:
    - (i) Your appraised production will not be less than the production guarantee for acreage:
      - (A) That 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 subsection 10(d));
    - (iv) Potential production on insured acreage you want to put to another use or you wish to abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end if 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 millet may be adjusted for excess moisture and quality deficiencies. If moisture adjustment is applicable, it will be made prior to any adjustment for quality.
  - (1) Production will be reduced by .12 percent for each 0.1 percent 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:
    - Deficiencies in quality, result in the millet weighing less than 50 pounds per bushel; or
    - (ii) Substances or conditions are present 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 and within the insurance period;
    - (ii) The deficiencies, substances, or conditions result in a net price for the damaged production that is less than the local market price;
    - (iii) 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; and
    - (iv) The samples are analyzed by a grader or by a laboratory approved by us with regard to substances or conditions injurious to

human or animal health (test weight for quality adjustment purposes may be determined by our loss adjuster).

- (4) Millet production that is eligible for quality adjustment, as specified in sections 10(d)(2) and (3), will be reduced by the quality adjustment factor contained in the Special Provisions if quality adjustment factors are not available in the county, the eligible millet production will be reduced as follows:
  - (i) The market price of the qualifying damaged production and the local market price will be determined on the earlier of the date such quality adjusted production is sold or the date of final inspection for the unit.
  - (ii) The price for the qualifying damaged production will be the market price for the local area to the extent feasible. Discounts used to establish the net price of the damaged production will be limited to those that are usual, customary, and reasonable. The price will not be reduced for:
    - (A) Moisture content;
    - (B) Damage due to uninsured causes; or
    - (C) Drying, handling, processing, or any other costs associated with normal harvesting, handling, and marketing of the millet; except, if the value of the damaged production can be increased by conditioning, we may reduce the value of the production after it has been conditioned by the cost of conditioning but not lower than the value of the production before conditioning. We may obtain prices from any buyer of our choice. If we obtain prices from one or more buyers located outside your local market area, we will reduce such prices by the additional costs required to deliver the millet to those buyers.
  - (iii) The value of the damaged or conditioned production determined in section 10(d)(4)(ii) will be divided by the local market price to determine the quality adjustment factor.
  - (iv) The number of bushels remaining after any reduction due to excessive moisture (the moisture-adjusted gross bushels, if appropriate) of the damaged or conditioned production under section 10(d)(1) will then be multiplied by the quality adjustment factor from section 10(d)(4)(iii) to determine the production to count.

(e) Any production harvested from plants growing in the insured crop may be counted as production of the insured crop on a weight basis.

#### 11. Late Planting.

In lieu of the provisions contained in section 16(a) of the Basic Provisions, the production guarantee for each acre planted to the insured crop during the late planting period, unless otherwise specified in the Special Provisions, will be reduced by:

- (a) One percent per day for the first through the tenth day; and
- (b) Three percent per day for the eleventh through the twentieth day.

#### 12. 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 levels of coverage and pay an additional premium, you may increase your prevented planting coverage if such additional coverage is specified in the actuarial documents.