

SUMMARY OF CHANGES FOR THE SWEET POTATO CROP PROVISIONS (21-0156)
(Released November 2020)

The following is a brief description of changes to the Sweet Potato Crop Provisions that will be effective for the 2021 and succeeding crop years. Please refer to the Crop Provisions for more complete information.

Section 1 - Definitions

- The definitions of "Approved yield for dedicated processing sweet potatoes" and "Approved yield for fresh market sweet potatoes" have been combined into a single definition of "Approved yield."
- The definitions of "Approved Yield for Processing Sweet Potatoes" and "Processing sweet potatoes" have been removed. Provisions for insuring processing (canner) type sweet potatoes have been removed throughout the Crop Provisions as the processing type is no longer insured.
- The definition of "Basic unit" has been removed. Basic units will be provided in accordance with the Common Crop Insurance Policy Basic Provisions (Basic Provisions) and section 2 of these Crop Provisions.
- The definition of "Marketable" is revised to remove the reference to "processing sweet potatoes."
- The definition of "Production Guarantee (per acre)" is revised to remove the reference to "processing sweet potatoes."

Section 2 - Units

- Provisions are revised to allow basic units by share in accordance with the Basic Provisions.

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

- Provisions are revised to remove references to "processing sweet potatoes."

Section 11 - Duties in the Event of Damage or Loss

- Provisions in section 11(a)(1) are revised to require representative samples in accordance with section 14 of the Basic Provisions.

Section 12 - Settlement of Claim

- Provisions in section 12(b) are revised to apply the "overplanting factor" to production to count in the claim calculation.
- Provisions in section 12(c)(4) are revised to remove references to "processing sweet potatoes" and clarify that fresh market production not meeting the standards shown in the definition of "fresh market sweet potatoes" will not be production to count provided it is destroyed.
- The claim example in section 12(d) is revised to include application of the overplanting factor and to remove references to "processing sweet potatoes." Claim examples previously in sections 12(e) and (f) have been removed.

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
SWEET POTATO CROP PROVISIONS



1. Definitions

Approved yield - In lieu of the definition of approved yield contained in the Basic Provisions, your approved yield is determined by summing the yearly actual yields of marketable production, assigned yields, and adjusted or unadjusted transitional yields, and dividing the sum by the number of yields contained in the database. The database must contain at least four yields and may contain up to 10 consecutive crop years of actual, assigned or transitional yields.

Base contract price - The price per hundredweight specified in the processor contract (without regard to discounts or incentives) and that is used to determine your price election for dedicated processing sweet potatoes.

Dedicated processing sweet potatoes - Sweet potatoes grown on insurable acreage and under the terms of a processor contract that requires 100 percent of the production from the acreage specified in the processor contract to be delivered to the processor.

Direct marketing - Any 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.

Field production (of seed) - Propagation of seed outside a controlled environment such as a greenhouse.

Fresh market sweet potatoes - Sweet potatoes grown for harvest and grade U.S. Number 1 or U.S. Extra Number 1 in accordance with the United States Standards for Grades of Sweet Potatoes, effective April 21, 2005.

Generation one (G1) through generation three (G3) seed - Vine cuttings or roots produced in the first through the third year of field production used to create slips.

Harvest - Removal of the marketable sweet potato tuberous roots from the soil, and placement in a container.

Hundredweight - One hundred pounds avoirdupois (cwt).

Jumbos - Sweet potato tuberous roots that weigh more than 36 ounces avoirdupois.

Marketable - Sweet potatoes that meet the definition of fresh market sweet potatoes; or, for dedicated processing sweet potatoes, production that meets the standards contained in the processor contract or section 12(c)(1)(iii).

Maturity - A condition in which the tuberous roots are typical of the production normally harvested in the area. The insured crop will not be considered to have achieved maturity before the conclusion of the number of days after planting specified in the Special Provisions.

Maximum allowable acreage - The number of acres equal to 115 percent of the greatest number of acres of planted sweet potatoes in which you had a share in any of the previous three crop years except that any acreage planted solely to fulfill a sweet potato processor contract for the current crop year will be excluded from the calculation of maximum allowable acreage. You must provide us with a copy of the processor contract to exclude the acreage.

Over-planting factor - A factor which is always 1.00 or less and that is used to adjust your production guarantee when you plant more acres of fresh market sweet potatoes than your maximum allowable acreage. This factor is determined in accordance with section 3(f). Dedicated processing sweet potatoes will always have an overplanting factor of 1.00.

Planted acreage - In lieu of the definition contained in the Basic Provisions, planted acreage means land on which slips have been transplanted into a properly prepared bed at the correct depth and in rows sufficiently wide to permit mechanical cultivation. Acreage planted in any other manner will not be insurable, unless allowed by the Special Provisions.

Price for unharvested production - In accordance with paragraph 15(d) of the Basic Provisions, your price election will be reduced by the factor contained in the Special Provisions, or any addendum thereto, that takes into account costs not incurred for harvest. The result will be used to compute the amount of any indemnity in the event of a crop loss on unharvested acres.

Processor - Any business enterprise regularly engaged in processing sweet potatoes for human consumption, that possesses all licenses and permits for processing sweet potatoes required by the State in which it operates, and that possesses facilities, or has contractual access to such facilities, with enough equipment to accept and process the contracted sweet potatoes within a reasonable amount of time after harvest.

Processor contract - A written contract between the producer and a processor, containing at a minimum:

- The producer's commitment to plant and grow sweet potatoes, and to sell and deliver the sweet potatoes to the processor;
- The processor's commitment to purchase all the production stated in the processor contract; and
- A price per hundredweight that will be paid for the production.

You must submit a copy of the processor contract to exclude acreage for the current crop year from the maximum allowable acreage calculation.

Production Guarantee (per acre) - In addition to the definition in the Basic Provisions, your production guarantee for fresh market sweet potatoes will be adjusted in accordance with section 3(f).

Seed - Tuberous sweet potato roots planted to produce slips.

Slips - Shoots or vine cuttings produced from sweet potato seed that are planted to establish a new sweet potato crop.

Sweet Potato - A plant of the species *Ipomoea batatas*, grown for tuberous roots primarily used for human consumption.

Types - A category of sweet potatoes identified in the Special Provisions.

2. Unit Division

- (a) In addition to the definition contained in the Basic Provisions which allows basic units by share, separate basic units are provided for all insurable acreage of the insured crop in the county on which:
- (1) Fresh market sweet potatoes are grown; or
 - (2) Dedicated processing sweet potatoes are grown.
- (b) Optional and enterprise units are applicable as specified in the Basic Provisions and the Special Provisions.

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

- (a) In addition to the requirements of section 3 of the Basic Provisions, for fresh market and dedicated processing sweet potatoes you may select only one price election for each type insured under this policy. The price election you choose for each type must have the same percentage relationship to the maximum price offered by us for each type. For example, if you choose 100 percent of the maximum price election for one type, you must also choose 100 percent of the maximum price election for the other type.
- (b) In lieu of the provisions in section 3(e) of the Basic Provisions, for dedicated processing sweet potatoes your price election will be the base contract price multiplied by the percentage of price you elect. The percentage of price you elect must be the same percentage applicable to any insurable fresh market sweet potatoes. However, in no case will the price election exceed the maximum contract price shown in the actuarial documents.
- (c) If there is more than one base contract price for dedicated processing sweet potatoes (e.g., you produce two sweet potato cultivars under the terms of a processor contract and each cultivar has a different base contract price), the amount used to determine your price election will be the weighted average of the base contract prices. For example, if 20,000 cwt. have a base contract price of \$7.00 per cwt., and 10,000 cwt. have a base contract price of \$8.00 per cwt., the weighted average base contract price is \$7.33 per cwt. $((20,000 \times \$7.00) + (10,000 \times \$8.00) = \$220,000$ and $\$220,000 \div 30,000 \text{ cwt.} = \7.33). For acreage only based processor contracts, and acreage and production-based processor contracts which specify a maximum number of acres, the

number of cwt. considered to be under contract is the maximum number of acres specified in the processor contract multiplied by your approved yield.

- (d) For the purposes of determining the indemnity for unharvested acreage, the price for unharvested acreage will be specified in the actuarial documents.
- (e) Both the fresh market sweet potato type and the dedicated processing sweet potato type are insured under this policy, and each type will have a separate approved yield.
- (f) If your insurable acreage of fresh market sweet potatoes in the county for the current crop year exceeds 115 percent of the greatest number of insurable acres of such sweet potatoes that you produced in the county for any one of the three previous crop years, your production guarantee (per acre) is calculated as follows:
- (1) Multiply the greatest number of insurable acres of fresh market sweet potatoes that you planted in the county in any one of the three previous crop years by 1.15;
 - (2) Divide the result by the number of insurable acres of the crop planted by you in the county in the current crop year to obtain the overplanting factor; and
 - (3) Multiply the overplanting factor (rounded to two decimal places and not to exceed 1.00) by the production guarantee (per acre) for the current crop year.
- (g) Instead of reporting your sweet potato production for the previous crop year as required by subsection 3(f) of the Basic Provisions, there is a lag period of one year and you are required to report production from two crop years previous to the current crop year, e.g., 2019 crop year production must be reported by the required date for the 2021 crop year.

4. Contract Changes

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

5. Cancellation and Termination Dates

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are February 28.

6. Report of Acreage

In addition to the provisions in section 6 of the Basic Provisions, you must provide a copy of all your processor contracts to us on or before the acreage reporting date.

7. Insured Crop

- (a) Insured sweet potatoes include all the sweet potatoes in the county:
- (1) In which you have a share;
 - (2) That are planted for harvest as marketable sweet potatoes;
 - (3) For which premium rates are provided by the actuarial documents;
 - (4) For which you have an approved yield as required in section 1; and
 - (5) That are a variety specified in the Special Provisions.
- (b) In addition to the requirements of section 7(a), insured dedicated processing sweet potatoes must

be grown in accordance with the requirements of a processor contract executed on or before the acreage reporting date, and not be excluded from the processor contract for or during the crop year.

- (c) Sweet potatoes that are not insurable include, but are not limited to, those that are:
 - (1) Interplanted with another crop; or
 - (2) Sold or used to produce seed or slips.
- (d) You will be considered to have a share in the insured crop if, under a processor contract, you retain control of the acres on which the sweet potatoes are grown, and your income from the insured crop is dependent on the amount of production delivered.
- (e) A sweet potato producer who is also a processor may establish an insurable interest if the following requirements are met:
 - (1) The producer must comply with all policy provisions;
 - (2) Prior to the sales closing date, the Board of Directors or officers of the processor must execute and adopt a resolution that contains the same terms as a processor contract as defined in these Crop Provisions. Such resolution will be considered a processor contract under this policy; and
 - (3) Our inspection reveals the processing facilities meet the definition of "processor" contained in these Crop Provisions.

8. Insurable Acreage

In addition to the provisions of section 9 of the Basic Provisions:

- (a) We will not insure any acreage that:
 - (1) Is sold by direct marketing;
 - (2) Does not meet the rotation requirements shown in the Special Provisions, if applicable;
 - (3) Is not identified as insurable in the actuarial documents;
 - (4) Is subject to planting restriction orders issued by the official in the State responsible for the control of the sweet potato weevil, witchweed, or other controlled insect, disease, or weed. A copy of these orders must be placed in your file by the acreage reporting date;
 - (5) During either of the previous two calendar years, was planted to any other crop that was damaged by fungal, bacterial or viral diseases or insects or nematodes that can affect sweet potatoes. Your acreage report certifies the acreage you report as insurable was not damaged by fungal, bacterial or viral diseases or insects or nematodes that can affect sweet potatoes; or
 - (6) In the preceding crop year was pasture. Your acreage report certifies the acreage you report as insurable was not pasture in the preceding crop year.
- (b) To be insurable, the sweet potato acreage:
 - (1) Must be planted using generation one (G1) through generation three (G3) seed; and
 - (2) Must initially be planted with enough slips to achieve a plant density of not less than the

number specified in the Special Provisions (we will make an appraisal and assess uninsured causes of loss if a sufficient number of slips were not planted);

- (c) 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.
- (d) If you plant more acres of fresh market sweet potatoes than your maximum allowable acreage, your production guarantee (per acre) will be determined in accordance with section 3(f).
- (e) The maximum number of insurable acres of dedicated processing sweet potatoes is the number of acres grown under a processor contract. The number of acres considered to be grown under a processor contract is determined as follows:
 - (1) For acreage only based processor contracts, and acreage and production-based processor contracts which specify a maximum number of acres, the lesser of:
 - (i) The maximum number of acres specified in the processor contract; or
 - (ii) The number of planted acres.
 - (2) For production only based processor contracts, the lesser of:
 - (i) The number of acres determined by dividing the amount of production stated in the processor contract by your approved yield; or
 - (ii) The number of planted acres.

9. Insurance Period

In accordance with section 11 of the Basic Provisions, the calendar date for the end of the insurance period is November 15 following planting.

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 which occur during the insurance period:
 - (1) Adverse weather conditions;
 - (2) Fire;
 - (3) Insects, plant disease, or weed infestation if:
 - (i) Adverse weather conditions prevented application of control measures or caused control measures to be ineffective after application, and reapplication was not possible or permitted before damage occurred or worsened;
 - (ii) No legal effective chemical or non-chemical product intended to control weeds, fungi, insects, or disease is available and labeled for use on sweet potatoes; and
 - (iii) You have complied with all instructions or orders issued by the official in your state responsible for the control of the sweet potato weevil, witchweed, or other controlled insect, disease or weed, if applicable;
 - (4) Wildlife;
 - (5) Earthquake;

- (6) Volcanic eruption; or
 - (7) Failure of the irrigation water supply due to a cause specified in section 10(a)(1) through (6) that also occurs during the insurance period.
- (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 that occurs after the sweet potatoes have been harvested;
 - (2) Damage that becomes evident more than 15 days after the end of the insurance period unless the Sweet Potato Storage Coverage Endorsement is in effect; or
 - (3) Your inability to market part or all of the production:
 - (i) Unless inability to market is caused by damage that is directly due to an insured cause of loss specified in section 10(a); or
 - (ii) For any other reason including but not limited to:
 - (A) Quarantine;
 - (B) Boycott; or
 - (C) Refusal of any buyer to accept your undamaged production.

11. Duties in the Event of Damage or Loss

- (a) Your duties (in addition to those in section 14 of the Basic Provisions):
- (1) Representative samples are required and must be left intact in accordance with section 14 of the Basic Provisions.
 - (2) You must sort and grade a sample of the crop in a storage facility, as designated by us and under the supervision of our representative, to determine the stored amount of production. Sorting and grading will be according to the:
 - (i) Applicable definitions of fresh market sweet potatoes; or
 - (ii) Grade and size standards specified in section 12(c)(1)(iii) for dedicated processing sweet potatoes.
 - (3) You must continue to care for the harvested crop during curing and storage until loss adjustment is completed.
- (b) Our duties (in addition to those in section 14 of the Basic Provisions):
- (1) We will perform an appraisal of production of any damaged sweet potatoes provided the sweet potatoes have reached maturity. If maturity has not been achieved, we may defer our appraisal until such time as the insured crop achieves maturity.
 - (2) We will perform an appraisal of the number of surviving plants prior to sweet potatoes reaching maturity for acreage that you intend to abandon or put to another use. We will use the ratio of surviving plants to the original plant population to establish the amount of production to count for such acreage.
 - (3) We will complete our appraisal of any sweet potato production in a storage facility no later than 30 days (60 days if the Sweet Potato

Storage Coverage Endorsement is applicable) after the end of the insurance period.

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 for any basic units, we will allocate any comingled production to such units in proportion to our liability on the harvested acreage for each unit. Acres referenced below do not include acres identified as uninsurable in the actuarial documents; likewise, production from such acres is not included in the following computations.
- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
- (1) Multiplying the insured harvested acreage by its respective production guarantee (per acre), by type if applicable;
 - (2) Multiplying the insured unharvested acreage by its respective production guarantee (per acre), by type if applicable;
 - (3) Multiplying the result in section 12(b)(1) by the respective price election, by type if applicable;
 - (4) Multiplying the result in section 12(b)(2) by the respective price for unharvested acres, by type if applicable;
 - (5) Total the results of section 12(b)(3) and 12(b)(4);
 - (6) Multiplying the harvested production (by type, if applicable) by the overplanting factor, if applicable;
 - (7) Multiplying the result of 12(b)(6) by the price election;
 - (8) Multiplying the appraised production on unharvested acreage (by type, if applicable), by the overplanting factor, if applicable;
 - (9) Multiplying the result of 12(b)(8) by the price for unharvested acres (by type, if applicable);
 - (10) Totaling the results in sections 12(b)(7) and 12(b)(9);
 - (11) Subtracting the results in section 12(b)(10) from the results of section 12(b)(5); and
 - (12) Multiplying the result in section 12(b)(11) by your share.
- (c) The total production to count (in hundredweight) from all insurable acreage on the unit will include:
- (1) All appraised production as follows:
 - (i) Not less than the production guarantee for acreage:
 - (A) That is abandoned;
 - (B) On which the unharvested representative samples required by section 11(a)(1) are not left or maintained;
 - (C) Put to another use without our consent;
 - (D) Damaged solely by uninsured causes;
 - (E) For which you fail to provide records of production that are acceptable to us (we will use our appraisals from any required representative samples and other information to make this determination);

- (F) That was harvested later than the calendar date for the end of the insurance period; and
- (G) When identified samples were processed or altered by you before being appraised by us;
- (ii) Production lost due to uninsured causes;
- (iii) Unharvested production (for dedicated processing sweet potatoes, unharvested production will include all lots of sweet potatoes which, except for size, grade U.S. Extra No. 1, U.S. No. 1, U.S. Commercial, or U.S. No. 2 (including jumbos), in accordance with the United States Standards for Grades of Sweet Potatoes, effective April 21, 2005, or a successor document. With respect to size, lots of production in which 85.1 percent or more of the sweet potatoes meet the size requirement specified in the processor contract for marketable sweet potatoes will be included as production to count. Lots in which 85.0 percent or less of the sweet potatoes meet such size requirement will not be included as production to count if they are discarded and no value is received for the production); and
- (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 marketable production or appraisals from the samples at the time harvest should have occurred.) If you do not leave the required samples intact, or 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 marketable production, or our reappraisal if additional damage occurs and the crop is not harvested;

and

- (2) All harvested marketable production from the insurable acreage. Any lot of production rejected by a processor due to a cause of loss not covered under this policy will be included as production to count. Such production includes, but is not limited to lots that are rejected due to:
 - (i) An excessive amount of tare or foreign material (e.g. dirt, rocks, glass, wood, metal or other foreign objects or substances);
 - (ii) The presence of any chemical or pesticide; or
 - (iii) Your failure to follow the requirements in the processor contract.
 - (3) For fresh market sweet potatoes appraised in the field, the result of section 12(c)(1) will be reduced by 5 percent to simulate the weight of the crop lost due to shrinkage during curing and storage.
 - (4) Production harvested from acreage insured as the fresh market type that does not meet the standards shown in the definition of "fresh market sweet potatoes" will not be production to count provided it is destroyed. If you retain such production, it will be included as production to count and no adjustment will be made for any reduction in grade or quality.
- (d) Example:

1	Your APH Average Yield	200.00
2	Your Coverage Level	75.0000%
3	Your Guarantee per acre	150.00
4	Your Price Election	\$25.00
5	Your Maximum Allowable Acres	110.00
6	Your Acres planted	125.00
7	Your Overplanting Factor	0.880
8	Reduced Production Guarantee	132.00
9	Your Harvested Acres	115.00
10	Your Unharvested Acres	10.00
11	Unharvested Acre Price Factor	80.0%
12	Your Share	1.0000
13	Your harvested production	9,488.00
14	Your unharvested production	275.00

Your claim will be calculated as follows:

1	Harvested Acres	x	Production Guarantee	=	12(b)(1)
	115.00		132.00		15,180.00
2	Unharvested Acres	x	Production Guarantee	=	12(b)(2)
	10.00		132.00		1,320.00
3	Result 12(b)(1)	x	Price Election	=	12(b)(3)
	15,180.00		\$25.00		\$379,500.00
4	Result 12(b)(2)	x	Price for unharvested acres	=	12(b)(4)
	1,320.00		\$20.00		\$26,400.00
5	Result 12(b)(3)	+	Result 12(b)(4)	=	12(b)(5)
	\$379,500.00		\$26,400.00		\$405,900.00
6	Harvested Production to Count	x	Overplant Factor	=	12(b)(6)
	9,488.00		0.880		8,349.44
7	Result 12(b)(6)	x	Price Election	=	12(b)(7)
	8,349.44		\$25.00		\$208,736.00
8	Unharvested Production	x	Overplant Factor	=	12(b)(8)
	275.00		0.880		242.00
9	Result 12(b)(8)		Price for unharvested acres	=	12(b)(9)
	242.00		\$20.00		\$4,840.00
10	Result 12(b)(7)	+	Result 12(b)(9)	=	12(b)(10)
	\$208,736.00		\$4,840.00		\$213,576.00
11	Result 12(b)(5)	-	Result 12(b)(10)	=	12(b)(11)
	\$405,900.00		\$213,576.00		\$192,324.00
12	Result 12(b)(11)	X	Share	=	12(b)(12)
	\$192,324.00		1.000		\$192,324.00

13. Written Agreements

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

14. Late Planting

A late planting period is not applicable. Any sweet potatoes planted after the final planting date will not be insured and must be reported as uninsurable on the acreage report.

15. Prevented Planting

The prevented planting provisions of the Basic Provisions are not applicable.