



United States
Department of
Agriculture

Farm Production
and Conservation

Risk
Management
Agency

Raleigh North
Carolina Regional
Office

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December 6, 2024

INFORMATIONAL MEMORANDUM

TO: All Northeast Approved Insurance Providers Writing in the State of North Carolina

FROM: Kevin Wooten /s/
Director, Raleigh Regional Office

SUBJECT: Crop Year 2025, Regional Underwriting Guidelines for Apples in North Carolina Damaged due to Hurricanes

BACKGROUND:

The 2025 FCIC 18010 Crop Insurance Handbook (CIH) authorizes the Risk Management Agency (RMA) Regional Offices (RO) to issue Underwriting Guides (UG) for Category C crops that modify procedure and to provide additional underwriting procedure for regional exceptions. Additionally, Paragraph 2202 (3) provides that RO UG may be issued to provide authority to the Approved Insurance Providers (AIP) to determine approved yields, in lieu of requesting RO Determined Yields.

Effective for the 2025 crop year, these RO UG apply to Apples which were damaged due to hurricanes in North Carolina counties with a disaster declaration during the 2024 crop year.

Yields will be determined by the AIP in accordance with these guidelines.

This guidance is in addition to the Informational Memorandum 'REVISED Crop Year 2025 Regional Underwriting Guidelines for Category C Actual Production History (APH) Crops in the Raleigh Region', dated December 6, 2024, that may waive or modify procedure for High Variability requests. High Variability procedure must be applied prior to any calculations determined by this UG. Producers may still request other types of Determined Yields as needed per procedure provided in the CIH.

ACTION

For the 2025 crop year, a new Perennial Crop Pre-Acceptance Inspection Report (PAIR) must be completed if on the Producer's Pre-Acceptance Worksheet (PAW) the insured answers 'Yes', to whether "... damage (e.g., disease, hail, freeze) occurred to insurable trees/vines/bushes/bogs that will reduce the insured crop's production from previous crop years?"

The 2025 PAIR must be completed for each effected unit and include an 'Adjuster's

Special Report' detailing the:

- Type of damage that occurred (i.e. loss of trees or branches, damage to trees or branches, structural changes to land in the orchard),
- Percent of acreage lost and acreage totals, and
- Percent of damage that occurred to the remaining trees during the hurricane event.

If the AIP determines the damage from the previous crop year will not impact the insured crop's production, a Determined Yield request is not required.

If the PAIR and 'Adjuster's Special Report' indicate that the unit's production will be reduced for subsequent crop year(s) due to events where excess moisture/precipitation/rain, flood, and wind/excess wind due to a hurricane or tropical storm caused damage to the trees the AIP should calculate a Determined Yield for the 2025 crop year. Under these circumstances submission of an RO Determined Yield is not required.

For a reduction in yield potential, AIPs will calculate Determined Yields by:

(a) determine a percentage of expected production based on the percent of damage to the remaining acreage identified on the Adjuster's special report on the PAIR; and

(b) multiply the determined percentage of expected production by the insured's average yield to determine the approved yield to assign as the Determined Yield for each unit.

Example: Before the hurricane event occurred, the orchard had a 95 percent stand. The PAIR noted that there was a 90 percent stand remaining after the storm event. Additionally, the adjuster's special report noted that there was significant tree damage to 10 percent of the remaining trees that would likely result in a reduction in yield.

$90 \text{ percent stand} \times 10 \text{ percent damage} = 9 \text{ percent additional damage}$

$90 \text{ percent stand} - 9 \text{ percent additional damage} =$
81 percent remaining in orchard

$81 \text{ percent remaining} \div 95 \text{ percent stand (original)} =$
85.2 percent yield potential

$85.2 \text{ percent yield potential} \times 600 \text{ bushels average yield} =$
511.6 bushels determined yield

Use Yield Indicator “F” and Special Yield Indicator “R” for all APH databases with approved yields reduced by the guidance above. Yield Exclusion (YE), Yield Adjustment (YA), Quality Loss Option (QL) and Yield Cup (YC) procedure do not apply to any APH database identified for damage reduction.

For additional guidance on Special Case Yield Indicators; YA, YE, or QL applicability; or Yield Limitation Flags, refer to Exhibit A. Exhibit A is consistent with the 2025 CIH, Exhibit 22, and Appendix III.

Please contact the Raleigh Regional Office at RSONC@usda.gov if you have any additional questions.

DISPOSAL DATE

November 20, 2025

[Exhibit A](#)