



United States
Department of
Agriculture

November 18, 2021

INFORMATIONAL MEMORANDUM

Farm Production
and Conservation

TO: Approved Insurance Providers (AIPs) Writing in Texas

Risk
Management
Agency

FROM: James Bellmon, Director /s/ *James Bellmon*
Oklahoma City Regional Office

Oklahoma City
Regional Office

SUBJECT: Crop Year 2023 Regional Underwriting Guidelines for Texas Citrus Fruit

215 Dean A.
McGee, Suite 342
Oklahoma City, OK
73102-3423

BACKGROUND:

The 2022 Crop Insurance Handbook (CIH), FCIC 18010, Part 22, Section 2, provides Regional Offices (ROs) the authority to issue RO Underwriting Guidelines for regional exception(s).

In February 2021, a damaging freeze swept across Texas affecting the citrus fruit and trees in Cameron, Hidalgo, and Willacy counties. Growers will be insuring their 2023 fruit crop by the November 20, 2021, sales closing date. It is anticipated that many policyholders will report damage to the trees or a change in practice or production methods that will reduce their production on the Pre-Acceptance Worksheet (PAW). The PAW triggers a Pre-Acceptance Inspection Report (PAIR) and potentially a RO Determined Yield (DY) Request when these two conditions are reported. The following guidelines are being issued to provide relief to the region's AIPs for the 2023 crop year.

ACTION:

A. PAIR

Due to the large number of PAIRs that are anticipated in the area, the 2023 PAIR due date is extended to April 15, 2022, in accordance with CIH, Paragraph 2212C(3)(b).

B. Regional Office Determined Yield (DY) Requests

The CIH, Paragraph 2212A(2) establishes the RO Determined Yield request deadline as no later than 30 calendar days after the PRD and submission by the AIP to the RO no later than 60 calendar days after the PRD. The CIH, Paragraph 1840 also allows the extension of the deadline with RO approval based on situations that require a reduced Actual Production History (APH) Yield for the

crop year. For the 2023 crop year, the RO Determined Yield Request for situations that require a reduced APH yield must be submitted to the RO by April 15, 2022.

C. PAW

The PAW is completed by the insured and should reflect any tree removal and/or cultural practices employed since the freeze.

- a. Answering “Yes” to the question, “Has damage occurred to insurable trees/vines/bushes/bog that will reduce the insured crop’s production from previous crop years” does not require a RO Determined Yield if the AIP determines the damage from the previous crop year will not impact the insured crop’s production in accordance with the exception in CIH Paragraph 1823(1).
- b. Answering “Yes” to the question, “Have practices or production methods been performed that will reduce the insured crop’s production from previous crop years” does not require a RO Determined Yield if the percent stand is decreased by less than 20% in accordance with CIH Paragraph 1823(2). The AIP may complete a PAIR to determine the 20%.

D. Minimum Production Requirement

Texas Citrus Fruit Crop Provisions (18-0226) section 7(a)(4) require an average yield of at least 3 ton per acre for the 2021 crop year or have an appraisal with the yield potential of at least 3 ton per acre. Rapid recovery of the trees has made it possible for some orchards to recover to high production levels. If the appraisal is for at least 3 ton per acre, no RO Determined Yield is required. Use Special Case Yield Indicator “PB”. Yield adjustment (YA) may apply, if elected. See CIH, Exhibit 22, RO Underwriting, for appropriate yield limitation flags.

E. Insurable Acreage Adjustments

Insurable Acreage Adjustment procedures contained in CIH Paragraph 1810 are to be followed.

Please contact the Oklahoma City Regional Office at RSOOK@usda.gov if you have any questions.

DISPOSAL DATE:

May 31, 2023