

**§ 457.103**

**7 CFR Ch. IV (1-1-01 Edition)**

(2) Store or market the production from such acreage in a manner which permits us to verify the amount of spring wheat production separately from any winter wheat production.

In the event you are unable to provide records of production that are acceptable to us, the spring wheat acreage will be considered to be a part of the original winter wheat unit. If you elected to insure the spring wheat acreage as a separate optional unit, any premium amount for such acreage will be considered earned and payable to us.

(b) Continue to care for the damaged crop. By doing so, coverage will continue under the terms of the Common Crop Insurance Policy (§457.8), the Small Grains Crop Insurance Provisions (§457.101), and this Option.

(c) Replant the acreage to an appropriate variety of wheat, if it is practical, and receive a replanting payment in accordance with the terms of section 9. (Replanting Payments) of the Small Grains Crop Provisions (§457.101). By doing so, coverage will continue under the terms of the Common Crop Insurance Policy (§457.8), the Small Grains Crop Insurance Provisions (§457.101), and this Option, and the production guarantee for winter wheat will remain in effect.

**Option B (WITH FULL WINTER DAMAGE COVERAGE)**

Whenever any winter wheat is damaged during the insurance period and at least 20 acres or 20 percent of the acreage in the unit, whichever is less, does not have an adequate stand to produce at least 90 percent of the production guarantee for the acreage, you may, at your option, take one of the following actions:

(a) Continue to care for the damaged crop. By doing so, coverage will continue under the terms of the Common Crop Insurance Policy (§457.8), the Small Grains Crop Insurance Provisions (§457.101), and this Option.

(b) Replant the acreage to an appropriate variety of wheat, if it is practical, and receive a replanting payment in accordance with the terms of section 9. (Replanting Payments) of the Small Grains Crop Provisions (§457.101). By doing so, coverage will continue under the terms of the Common Crop Insurance Policy (§457.8), the Small Grains Crop Insurance Provisions (§457.101), and this Option, and the production guarantee for winter wheat will remain in effect.

(c) Accept our appraisal of the crop on the damaged acreage as production to count against the production guarantee for the damaged acreage, destroy the remaining crop on such acreage, and be eligible for any indemnity due under the terms of the Common Crop Insurance Policy (§457.8) and the Small Grains Crop Provisions (§457.101). The appraisal will be considered production to count in determining any final indemnity on the unit and will be used to settle your claim

as described in the provisions of section 11. (Settlement of Claim) of the Small Grains Crop Insurance Provisions (§457.101). You may use such acreage for any purpose, including planting and separately insuring any other crop. If you elect to utilize such acreage for the production of spring wheat, you must:

(1) Plant the spring wheat in a manner which results in a clear and discernable break in the planting pattern at the boundary between it and any remaining winter wheat; and

(2) Store or market the production from such acreage in a manner which permits us to verify the amount of spring wheat production separately from any winter wheat production.

In the event you are unable to provide records of production that are acceptable to us, the spring wheat acreage will be considered to be a part of the original winter wheat unit. If you elected to insure the spring wheat acreage as a separate optional unit, any premium amount for such acreage will be considered earned and payable to us.

[59 FR 9397, Feb. 28, 1994]

**§ 457.103 Malting barley option.**

The Malting Barley Option Provisions for the 1995 and succeeding crop years are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

*Small Grains Crop Insurance Malting Barley Endorsement*

(This is a continuous Endorsement. Refer to section 2 of the Common Crop Insurance Policy)

In return for payment of the additional premium designated in the actuarial table, it is hereby agreed that the Common Crop Insurance Policy (§457.8) and Small Grains Crop Provisions (§457.101) are amended to incorporate the following terms and conditions:

(a) This Endorsement must be submitted to us on or before the final date for accepting applications for the initial crop year in which you wish to insure your malting barley acreage under this Option.

(b) You must have a Common Crop Insurance Policy (§457.8) and a Small Grains Crop Insurance policy (§457.101) in force and elect to insure barley under those policies.

(c) You must provide:

(1) Acceptable records of the sale of malting barley for malting purposes for three of the previous five crop years by the production reporting date; and

(2) Before the acreage reporting date, written contract with a brewery or business that

makes or sells malt or processed mash to a brewery, which states the quantity contracted and purchase price or method for determining such price by the acreage reporting date. Our liability under this Option will be limited to the lesser of the number of contracted bushels or your production guarantee.

(d) All barley acreage in the county planted to an approved malting variety in which you have a share will be insured under this Endorsement. All barley acreage of any non-malting variety will be insured under the terms of the Small Grains Endorsement. Malting barley and basic barley acreage will be separate basic units. Further unit division may be allowed in accordance with the Common Crop Insurance Policy.

(e) Your price election will be provided by the actuarial table.

(f) In lieu of subparagraphs 11.(d)(2)(i)(B) and 11.(d)(1)(ii) of the Small Grains Crop Provisions:

(1) Mature malting barley production will be reduced .12 percent for each one tenth (.1) percentage point of moisture in excess of 13.0 percent; and

(2) Mature malting barley production, which due to insurable causes, is not accepted by a buyer of malting barley and will not meet the applicable standards for two-rowed or six-rowed malting barley will be adjusted by:

(i) Dividing the value per bushel for the insured malting barley by the price election for malting barley; and

(ii) Multiplying the result not to exceed one (1.0) by the number of bushels of such barley.

(3) All grade determination must be made by a grader licensed to inspect barley under the United States Grain Standards Act using samples obtained by a licensed sampler or our loss adjuster. Any production which is not sampled and graded as provided by this section will be considered as malting barley meeting the applicable standards.

(g) As used in the Endorsement:

(1) Applicable standards—For two-rowed and six-rowed malting barley are defined in the Official United States Standards for barley.

(2) Approved malting variety—The varieties specified in the Special Provisions.

(3) Brewery—A facility where malt liquors are commercially produced for human consumption.

(4) Value per bushel means:

(i) The local market price of U.S. No. 2 barley (basic barley) if the insure mature malting barley production, due to insurable causes, grades U.S. No. 4 or better and does not grade smutty, garlicky, or ergoty; or

(ii) The local market price of basic barley of the same quality as the insured malting barley, if the malting barley does not grade better than U.S. No. 5.

The prices used for this adjustment will be the prices on the earlier of the date such quality-adjusted barley is sold or the date of final inspection for the unit.

[59 FR 9397, Feb. 28, 1994]

#### § 457.104 Cotton crop insurance provisions.

The cotton crop insurance provisions for the 1998 and succeeding crop years are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

##### *Cotton Crop Provisions*

If a conflict exists among the policy provisions, the order of priority is as follows: (1) The Catastrophic Risk Protection Endorsement, if applicable (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions with (1) controlling (2), etc.

#### 1. Definitions

*Cotton*—Varieties identified as American Upland Cotton.

*Growth area*—A geographic area designated by the Secretary of Agriculture for the purpose of reporting cotton prices.

*Harvest*—The removal of the seed cotton from the open cotton boll, or the severance of the open cotton boll from the stalk by either manual or mechanical means.

*Mature cotton*—Cotton that can be harvested either manually or mechanically.

*Planted acreage*—In addition to the definition contained in the Basic Provisions, cotton must be planted in rows, unless otherwise provided by the Special Provisions, actuarial documents, or by written agreement. The yield conversion factor normally applied to non-irrigated skip-row cotton acreage will not be used if the land between the rows of cotton is planted to any other spring planted crop.

*Production guarantee*—The number of pounds determined by multiplying the approved yield per acre by any applicable yield conversion factor for non-irrigated skip-row planting patterns, and multiplying the result by the coverage level percentage you elect.

*Skip-row*—A planting pattern that:

(1) Consists of alternating rows of cotton and fallow land or land planted to another crop the previous fall; and

(2) Qualifies as a skip-row planting pattern as defined by the Farm Service Agency (FSA) or a successor agency.

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

In addition to the requirements of section 3 (Insurance Guarantees, Coverage Levels, and Prices for Determining Indemnities) of