

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
PRODUCTION AND REVENUE HISTORY
STRAWBERRY PILOT CROP PROVISIONS



1. Applicability.

You must have a policy in effect under the Basic Provisions and the Production and Revenue History (PRH) General Provisions before you may elect to insure strawberries under these Crop Provisions.

2. Definitions.

Annual – Nursery stock planted into insurable acreage for a crop year with the plants destroyed after the end of the insurance period for the same crop year.

Buyer type –

- (a) Buyer type A – Sales to buyers who purchase the strawberries through direct marketing.
- (b) Buyer type B – Sales to buyers who purchase the strawberries for fresh market use, excluding direct market purchases.
- (c) Buyer type C – Sales to buyers who purchase the strawberries for processing.

Buyer type tolerance value – In accordance with section 5(c)(8)(iii) of the PRH General Provisions, the buyer type tolerance value is 0.9.

Cost tolerance value – In accordance with section 5(c)(5)(i) of the PRH General Provisions, the cost tolerance value is 1.1.

High soil salinity – High concentration of salts in soils exceeding levels recommended by agricultural experts for strawberry production. It is determined by measuring the electrical conductivity (ECe) of soils with an electrical conductivity meter and is measured in decisiemens per meter.

Marketable – As determined by us, a crop that:

- (a) Meets U.S. No. 1 in accordance with the United States Standards for Grades of Strawberries;
- (b) Is accepted by a packer, processor, or other first handler or buyer;
- (c) Is graded and packed; or
- (d) Is sold.

Nursery stock – Strawberry plants grown using vegetative reproduction that are ready to be placed into an environment where the plants will be allowed to grow and produce fruit.

Picking – Removal of marketable strawberry fruit from the plant.

Picking period – One or more sets of dates specified in the actuarial documents that designate the beginning and ending calendar dates when the strawberry fruit normally would be picked.

Planting period – The period of time designated in the actuarial documents in which the strawberries must be planted.

Pound – A unit of weight equal to 16 ounces avoirdupois.

PRH General Provisions – The Production and Revenue History Pilot Plan of Insurance General Provisions.

Raised bed – A farming practice in which the surface into which nursery stock is planted is above the surrounding soil at a height sufficient to allow adequate drainage.

Relay crop – A crop planted directly into insured strawberry beds no earlier than February 1 of each year, that will grow with the strawberry crop but will not reach mature stages

until after removal of the strawberry crop. While strawberries are still present in the field, crop production practices for the two crops are managed to maximize strawberry production.

Strawberry – The fruit of the family *Rosacea* and the genus *Fragaria*, grown commercially with the intent to be sold to any Buyer type.

3. Unit Division.

- (a) The provisions in section 34 of the Basic Provisions that allow optional units by irrigated and non-irrigated practices are not applicable.
- (b) In lieu of section 10(b) of the PRH General Provisions, optional units are not offered by crop types.

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

- (a) In addition to section 6(c) of the Basic Provisions, you must report the average number of strawberry plants per acre on insurable and uninsurable acreage by the acreage reporting date.
- (b) In addition to section 3(f) of the PRH General Provisions, we will reduce the approved yield and average revenue used to establish your yield or revenue protection guarantee (per acre), as necessary, based on our estimate of the effect of any differences in production methods from what was previously used, including information obtained in section 4(a). If the changes occurred:
 - (1) Before the beginning of the insurance period, the approved yield and average revenue used to establish your protection guarantee (per acre) will be reduced for the current crop year regardless of whether the situation was due to an insured or uninsured cause of loss. If you fail to notify us of any circumstance that may reduce your yields and actual revenues from previous levels, we will reduce the approved yield and average revenue used to establish your protection guarantee (per acre) at any time we become aware of the circumstance;
 - (2) Or may occur after the beginning of the insurance period and you notify us by the acreage reporting date, the approved yield and average revenue used to establish your protection guarantee (per acre) will be reduced for the current crop year only if the potential reduction in the approved yield and average revenue used to establish your protection guarantee (per acre) is due to an uninsured cause of loss; or
 - (3) Or may occur after the beginning of the insurance period and you fail to notify us by the acreage reporting date, production lost due to uninsured causes equal to the amount of the reduction in approved yield and average revenue used to establish your protection guarantee (per acre) will be applied in determining any indemnity. We will reduce the approved yield and average revenue

used to establish your protection guarantee (per acre) for the subsequent crop year.

- (c) You may select only one coverage level for each planting period as specified in the actuarial documents.
- (d) In accordance with section 4(c)(6) of the PRH General Provisions, you may value unharvested undamaged production or marketable unharvested production damaged due to an insured cause of loss (differentiated by organic practice and planting period) at an average harvest price obtained from the last seven-day period that you had sales of such production (for the given organic practice and planting period).
 - (1) This harvest price must comply with requirements of section 4(c)(7) of the PRH General Provisions.
 - (2) You must prove the market price you would obtain if you were to harvest and sell the crop would not be high enough to cover the costs of harvest and post-harvest activities for the entire duration (through the end of the insurance period) that you choose to value production in accordance with section 4(d).
 - (3) If requirements in section 4(d)(2) cannot be proven, such production will be valued in accordance with sections 4(c)(7)(i) or 4(c)(7)(ii) of the PRH General Provisions.
- (e) The guarantee limitation factor applies when your insured acreage for the current crop year exceeds 125 percent of the greatest amount of strawberry acreage you have grown (you must meet requirements in either section 7(f)(1) or 7(f)(2)) in the county in the applicable planting period in any of the three preceding crop years, unless otherwise provided in the actuarial documents. This factor does not apply to increases of 10 acres or less.
- (f) Your production guarantee (per acre) is measured in pounds.
- (g) In lieu of provisions in the PRH General Provisions that stipulate distinctions by crop, crop type, planting period, and organic practice combinations, distinctions are not made by crop type for strawberries.

5. Contract Changes.

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

6. Cancellation and Termination Dates.

In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are, unless otherwise specified in the actuarial documents:

- (a) July 1 for California; and
- (b) August 31 for Florida.

7. Insured Crop.

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

- (a) In which you have a share;
- (b) That is grown from nursery stock of a variety recognized by agricultural experts as compatible with agronomic and weather conditions in the county for the season in which it is grown;
- (c) That is grown as an annual on a raised bed;
- (d) That is irrigated;
- (e) That is grown in a field that, if inspected, is considered acceptable by us; and

- (f) That is grown by a person who in at least three of the five previous crop years:
 - (1) Produced strawberries in a manner consistent with this section; or
 - (2) Participated in managing a strawberry farming operation that produced strawberries consistent with this section.

8. Insurable Acreage.

In addition to section 9 of the Basic Provisions:

- (a) Insured acreage must:
 - (1) Contain a number of plants per acre that can produce a yield and revenue consistent with your certified production on which your guarantee is based; and
 - (2) Meet any other good farming practices that may be specified in the actuarial documents.
- (b) Any acreage of the insured crop damaged before the final planting date, to the extent that a majority of producers in the area would normally not further care for it, must be replanted unless we agree that it is not practical to replant. Notwithstanding the definition of "practical to replant" contained in section 1 of the Basic Provisions, it will not be considered practical to replant if nursery stock is not available.
- (c) In addition to section 11 of the Basic Provisions, if you request such coverage, insurance will attach to any acreage that is planted before the earliest planting date specified in the actuarial documents on the date we determine the acreage has a population of live plants that will produce at least the yield used to establish your production guarantee (per acre), or insurance will attach on the final planting date if we do not make the determination by the final planting date.
- (d) For Florida only,
 - (1) We will not insure any acreage on which the soil was not fumigated or otherwise properly treated before planting strawberries; and
 - (2) Acreage on which a relay crop is planted will be insurable, provided that requirements are met according to the relay crop definition, and be considered a good farming practice.

9. Insurance Period.

In accordance with section 11 of the Basic Provisions, insurance will attach according to the following terms:

- (a) Coverage ends on each unit or part of a unit on the date another crop is interplanted with the strawberry crop.
- (b) Coverage for physical damage on any portion of the insured crop ends when it is picked.
- (c) For all states except Florida, the calendar date for the end of the insurance period is specified in the actuarial documents. For Florida, the end of the insurance period will be the earlier of the end of insurance period calendar date specified in the actuarial documents or the date on which harvest ceases on the unit due to low market prices in accordance with section 4(d) if such date is on or after March 15. If harvest ceases on the unit due to low market prices prior to March 15, the end of insurance for the unit will be March 15.
 - (1) Physical damage occurring after the end of the insurance period will not be included in settlement of claim calculations.
 - (2) Any production that exists after the end of the insurance period is not included as production to count and is not reported on your production

report. Only marketable production (whether harvested or unharvested) during the insurance period is reported on the production report required in section 3(a)(1) of the PRH General Provisions.

- (3) Only revenue earned from production reported in section 9(c)(2) is included on the revenue report required in section 3(a)(2) of the PRH General Provisions, and used to calculate harvest prices in accordance with section 4(c) of the PRH General Provisions.

10. Causes of Loss.

- (a) 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:

- (1) Adverse weather conditions;
- (2) Fire;
- (3) Insects and plant diseases if:
 - (i) Adverse weather conditions prevent application of control measures or cause control measures to be ineffective after application, and reapplication is not possible or permitted before damage occurs or worsens; or
 - (ii) No pesticides effective on the insect or the plant disease are registered with the Environmental Protection Agency and labeled for use on strawberries.
- (4) Wildlife, unless wildlife control measures have not been taken, or if wildlife control measures are not available;
- (5) Earthquake;
- (6) Volcanic eruption;
- (7) Failure of the irrigation water supply, if due to an insurable cause of loss specified in sections 10(a)(1) through 10(a)(6); and
- (8) For both forms of revenue protection, a decline in the harvest price, unless FCIC can prove the price change was the direct result of an uninsured cause of loss specified in section 12(a) of the Basic Provisions.

- (b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss due to:

- (1) Physical injury to strawberry fruit caused by the improper use of tools or machinery such that the fruit is not marketable;
- (2) Failure to pick in a timely manner for any reason, including inability to obtain labor, unless the failure to pick is due to an insurable cause of loss specified in section 10(a);
- (3) Inability to market the strawberries for any reason other than actual physical damage due to an insurable cause of loss specified in section 10(a). For example, we will not pay you an indemnity if you are unable to market due to quarantine, boycott, or refusal of any person to accept production; and
- (4) Loss of production or revenue due to high soil salinity for California only, unless otherwise specified in the Special Provisions.

11. Duties in the Event of Damage or Loss.

In addition to section 14 of the Basic Provisions and section 6 of the PRH General Provisions, the following requirements will apply:

- (a) You must notify us within three calendar days after:
 - (1) A picking should have started if that picking will not occur due to physical damage to the fruit, and you intend to remove unmarketable strawberries from all the plants in a portion of or the entire field due to the physical damage and leave those unmarketable strawberries in the field.
 - (2) You discover any physical damage to the plant or fruit during a picking.
- (b) You must not destroy any damaged plants until we have given you written consent to do so. If you do not meet the requirements of this section and we are unable to inspect the damaged plants as a result, an appraisal of not less than the remaining production guarantee (per acre) will apply to each affected acre.
- (c) You must notify us at least 15 calendar days before picking production that will be sold by direct marketing:
 - (1) We will conduct an inspection and appraisal that we will use to determine your production to count for such production.
 - (2) If damage occurs after this inspection but before the end of the picking period, we will conduct one or more additional inspections as needed.
 - (3) These inspections, and any acceptable records provided by you, will be used to determine your production to count.
 - (4) Failure to give timely notice will result in an appraisal of not less than the production guarantee (per acre) for each such acre if we are unable to make the required inspection or appraisal as a result.
- (d) You may be required to pick a representative sample selected by us so we can perform our appraisals.

12. Late and Prevented Planting.

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