

2001 Report to Congress

New and Specialty Crops

Risk Management Agency
U.S. Department of Agriculture



The Honorable Tom Harkin
Chairman
Committee on Agriculture,
Nutrition, and Forestry
United States Senate
731 Hart Senate Office Building
Washington, DC 20510-0605

Dear Mr. Chairman:

As required by Section 508(a)(6)(B) of the Federal Crop Insurance Act, as amended, the Risk Management Agency (RMA) is submitting the enclosed details on expanding crop insurance coverage to new and specialty crops.

The Agricultural Risk Protection Act of 2000 (ARPA), enacted in June 2000, significantly changed the manner in which RMA conducts research and development for new risk management programs, including crop insurance. A specific section on ARPA has been included in this report to identify a number of changes impacting new and specialty crops programs.

Action has been taken in the following key areas: developing and awarding a base contract for the research and development of new risk management tools for producers; training of RMA staff in the management of contracts to facilitate the leveraging of resources for new and specialty crops research and development; implementing increased levels of premium subsidies to make the cost of crop insurance more affordable for producers; and planning and implementing a number of projects through contracts, cooperative agreements, and partnerships with various public and private entities.

Sincerely,

R.J. Davidson, Jr.
Administrator

Enclosures

The Honorable Larry Combest
Chairman
U.S. House Committee on Agriculture
1301 Longworth House Office Building
Washington, DC 20515

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FOREWORD

Summary

Section 508(a)(6)(B) of the Federal Crop Insurance Act, as amended (the Act), requires the Federal Crop Insurance Corporation to submit a report to Congress on the expansion of crop insurance coverage to new and specialty crops. This report is submitted by the Risk Management Agency on behalf of the Federal Crop Insurance Corporation.

INTRODUCTION

Purpose

This report provides information on the expansion of crop insurance coverage to new and specialty crops that has occurred from November 1999 through December 2001, and expansion plans for the 2003 crop year and beyond.

Authority

Section 508(a)(6)(B) of the Act provides that the Corporation shall annually report to Congress on the expansion of crop insurance coverage to new and specialty crops.

Action

In accordance with the above provision of the Act, the Risk Management Agency submits this report on behalf of the Federal Crop Insurance Corporation.

SPECIALTY CROPS COORDINATOR

Authority

Section 507(g) of the Act provides as follows:

"(g)(1) The Corporation shall establish a management-level position to be known as the Specialty Crops Coordinator.

(2) The Specialty Crops Coordinator shall have primary responsibility for addressing the needs of specialty crop producers, and for providing information and advice, in connection with the activities of the Corporation to improve and expand the insurance program for specialty crops. In carrying out this paragraph, the Specialty Crops Coordinator shall act as the liaison of the Corporation with representatives of specialty crop producers and assist the Corporation with the knowledge, expertise, and familiarity of the producers with risk management and production issues pertaining to specialty crops.

(3) The Specialty Crops Coordinator shall use information collected from Corporation field office directors in States in which specialty crops have a significant economic effect and from other sources, including the extension service and colleges and universities."

Action

William C. (Bill) Jones has served as the Risk Management Agency's (RMA) Specialty Crops Coordinator since March 1996. His position is located in the Research and Evaluation Division under the Deputy Administrator for Research and Development. Prior to enactment of ARPA in 2000, Mr. Jones facilitated the new program development process by working directly with various new program development teams as they planned, developed, and implemented new programs. These teams were composed of representatives of RMA, the private insurance industry, agricultural groups, and academia. He served as the coordinator for the New Program Review Council, a management review and coordination group for new product development. The review council looked at the design of pilot programs at various milestones in the development process and made recommendations for the direction of the pilot programs. During his tenure as Specialty Crops Coordinator, the Agency has achieved the largest expansion of pilot programs for new and specialty crops in its history. Thirteen new and specialty crop initiatives were introduced for the 1999 crop year, and eight new and specialty crop initiatives were introduced for the 2000 crop year representing the largest number of such program introductions in the Agency's history. In addition, 11 pilot crop insurance programs were expanded during the 1999 and 2000 crop years.

With the enactment of ARPA and the subsequent research and development of new policies through public and private entities, the Specialty Crops Coordinator's efforts have been directed toward facilitating the research and development of new policies through contracts, cooperative agreements, and partnerships. The Specialty Crops Coordinator participated in meetings; field visits; training sessions; speaking engagements; and other contacts with growers, grower association representatives, the insurance industry, congressional representatives, and internal organizations. These efforts were made to communicate the Agency's new and specialty crops programs and gather information on needs and interests of producers.

THE AGRICULTURAL RISK PROTECTION ACT OF 2000 (ARPA)

Introduction

The Agricultural Risk Protection Act of 2000 (ARPA) was enacted to strengthen the safety net for agricultural producers by providing greater access to more affordable risk management tools and improved protection from production and income loss, to improve the efficiency and integrity of the Federal crop insurance program, and for other purposes. This report concentrates on those activities most directly related to the research and development of risk management tools for new and specialty crops.

Contract and Partnership Provisions. Section 131 of ARPA amended the Federal Crop Insurance Act to authorize the Federal Crop Insurance Corporation (FCIC) to (1) enter into contracts to carry out research and development to increase participation in underserved States, areas, and agricultural commodities, including specialty crops, and (2) to enter into partnerships with public and private entities for the purpose of increasing the availability of loss mitigation, financial, and other risk management tools for producers, with a priority given to risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities. One of the specified objectives for entering into partnerships, among others, was to develop other risk management tools to further increase economic and production stability.

Prohibited Research and Development by Corporation. Section 131 of ARPA prohibited the research and development of any new policies by the Corporation for an agricultural commodity offered under the title. Section 522(e)(4) of the Federal Crop Insurance Act was created by ARPA and provided the following:

“(4) PROHIBITED RESEARCH AND DEVELOPMENT BY CORPORATION:

(A) New policies: Notwithstanding subsection (d), on and after October 1, 2000, the Corporation shall not conduct research and development for any new policy for an agricultural commodity offered under this title.

(B) Existing policies: Any policy developed by the Corporation under this title before that date may continue to be offered for sale to producers.”

These provisions prohibiting the research and development of new policies by the Corporation and authorizing the Corporation to enter into contracts and agreements for research and development significantly changed the way RMA conducts its business.

Livestock Added as an Agricultural Commodity. Section 132 of ARPA amended section 518 of the Act by striking the exclusion of livestock as an agricultural commodity for which insurance or reinsurance could be made available under the Act. Section 523(b) of the Act defines livestock to include, but not be limited to, cattle, sheep, swine, goats, and poultry.

Wild Salmon Pilot Program Authorized. Section 132 of ARPA amended section 523 of the Act to authorize the Corporation to include pilot programs providing insurance protection against wild salmon (after October 1, 2001).

Funding. Contracts to conduct expert reviews as provided in the Act are funded from amounts made available under section 516(b)(2)(A)(ii) of the Act, while contacts and partnerships to conduct research and development for the Corporation are funded from the insurance fund established under section 516(c) of the Act. That fund is to provide not more than \$20,000,000 for each of fiscal years 2001 through 2003 and not more than \$25,000,000 for fiscal year 2004 and each subsequent fiscal year. The RMA Administrator made \$2,000,000 of the \$20,000,000 FY 2001 funds available for risk management education purposes, leaving essentially \$18,000,000 to carry out contracts and partnerships under subsection 522(c) and (d) of the Act. Funding for the research and development of livestock programs is included in these amounts.

Section 523(b)(10) of the Act provides a separate limit, to the maximum extent practicable, on all costs associated with conducting the livestock programs (other than research and development costs covered by section 522). Those maximum limits are \$10,000,000 for each of fiscal years 2001 and 2002, \$15,000,000 for fiscal year 2003, and \$20,000,000 for fiscal year 2004 and each subsequent fiscal year.

Section 523(a)(3)(E)(ii) of the Act requires the Corporation to conduct all wild salmon programs under the title so that, to the maximum extent practicable, all costs associated with conducting the programs are not expected to exceed \$1,000,000 for fiscal year 2002 and each subsequent fiscal year.

RMA Activities Subsequent to the Enactment of ARPA. The first year of ARPA was challenging for RMA, which was faced with determining the intent, interpretation, and implementation of numerous provisions of ARPA. The Agency needed to quickly implement a number of provisions and to establish plans, procedures, guidelines, and processes to implement others in order to effectively utilize available funding. This took place while the Agency continued to maintain, evaluate, and modify existing permanent and pilot programs. RMA placed considerable emphasis on the following activities:

- C Gathering information for the purpose of coordinating and expanding crop insurance coverage to new and specialty crops through contracts, cooperative agreements, partnerships, and other relationships with public and private entities;
- C Developing and maintaining a variety of organizational planning, reporting, and project management processes and documents;
- C Training in various aspects regarding contracting with other parties for the research and development of new risk management products for producers;
- C Consulting with producer groups before entering into a contract for research and development to increase participation in areas or for agricultural commodities that may be underserved by the Federal crop insurance program;
- C Coordinating and facilitating the development of various guidelines and processes for conducting the research and development of new risk management tools through contracts and agreements;

- C Developing, implementing, and managing a variety of contracts, contract task orders, cooperative agreements, and other vehicles used to conduct the research and development of new risk management tools through other public and private entities; and
- C Developing, providing input for, presenting, and reviewing a wide variety of presentations, correspondence, reports, and updates on plans, activities, and results regarding new program research and development.

Below are highlights of the planning, training, contracts and partnerships, and results of the first 15 months of ARPA.

Planning

RMA revised its new-program research and development plans and priorities to take into consideration new priorities and requirements specified by ARPA. The Agency immediately pursued the development and implementation of a research and development contract consistent with the Federal Acquisition Regulations (FAR) to implement some of the provisions of ARPA (see Contracting and Partnership Efforts below). RMA also worked with other agencies in the Department as well as other public and private entities to identify and establish contracting, cooperative agreement, and partnership authorities and processes to accomplish its mission. At the same time, the Agency made substantial efforts to continue to provide, and to improve where possible, its service to existing customers.

Training

During the first year of ARPA implementation, RMA trained and repositioned its employees who were expected to be involved in specific aspects related to the contracting, cooperative agreements, and partnership process. Many employees received between 100 and 200 hours of classroom training on topics such as project management, negotiating skills, general contracting and contract administration, task order writing, writing statements of work, source selection, cost analysis and cost estimating for Independent Government Cost Estimates, obtaining best values, contract law, and other related courses. At the same time these employees were being trained, they were also actively engaged in the development of contracts, task orders, and agreements, as well as the related guidelines and procedures to develop the provisions of contracts and agreements. Supervisors and managers participated in many of the courses, as well as a specific course on Contracting for Supervisors.

Contracting and Partnership Efforts

Base Research and Development Contract. One of the most significant efforts in this new environment was the development of a base research and development contract that provides a contract pool to compete for the opportunity to conduct research and development activities for FCIC. Following is a brief look at the process undertaken to accomplish this, which began before ARPA was enacted.

- C On March 2, 2000, RMA printed a synopsis in the Commerce Business Daily (CBD) advising parties of RMA's plan to seek contractor assistance in the research and development of new risk management programs.
- C A request for proposals (RFP) from potential contractors was issued on August 8, 2000, and closed on September 22, 2000, in conformance with the FAR and the Agriculture Acquisition Regulation (AGAR).
- C The contract period of performance was through September 30, 2001, with four, 1-year option periods, ending on September 30, 2005.
- C Following a detailed evaluation and selection process, four contracts were awarded in early February 2001 to the following contractors:

AgriLogic, Inc. College Station, TX	IGF Holdings, Inc. Des Moines, IA
National Crop Insurance Services, Inc. Overland Park, KS	Watts & Associates, Inc. Billings, MT
- C In March 2001, RMA began issuing Task Orders (TO's) to this pool of contractors. TO's describe RMA's work requirements for the research, development, implementation, and evaluation of new risk management programs.

Projects Awarded as Task Orders Issued under the Base Research and Development Contract:
 Following is a list of the 10 task orders that were issued under the base research and development contract during Fiscal Year 2001. Details regarding these projects may be found in the second subsection, hence, Fiscal Year 2001 Projects and Initiatives, by referring to the list for the State indicated. The States indicate the headquarters location for the contractor who was awarded the task order, and not the States included in the proposed program being researched and/or developed.

Kansas

- C *Cut Flower Research Report.*

Montana

- C *Cotton Boll Weevil Eradication Program Impact on Actual Production History (APH) Yields (Research Report).*
- C *Multiple Year Coverage - Research Report.*
- C *Feasibility of Revenue Coverage Plans that Maximize Producer Revenue - Research Report.*

Texas:

- C *Research and Development of a Cost of Production Insurance Program for Soybeans, Corn, Cotton, Wheat, Rice, Almonds, Peaches, Cranberries, Apricots, Nectarines, Onions, and Sugarcane.*

- C *Fresh Vegetables -- Research Report.*
- C *Hawaii Tropical Fruits and Trees Research Report.*
- C *Pasture and Rangeland Program - Research Report.*
- C *Perennial Pathogen Research Report.*
- C *Quarantine Research and Program Design Report.*

Projects Awarded Under Other Contracting and Partnership Vehicles. RMA also utilized other contract vehicles and entered into various partnership arrangements, such as Cooperative Agreements, for the research, development, and evaluation of risk management programs for producers. Details regarding these projects are located immediately after the project title below, or may be found in the following subsection on Fiscal Year 2001 Projects and Initiatives, by referring to the list for the State indicated. As in the previous section, the States indicate the headquarters location for the contractor or partner who was awarded the project, and not the States included in the project or proposed program being researched and/or developed.

California

- C *California Crop Insurance Utilization.*
- C *Production Input Expenditures Study for Existing RMA Policies.*

Florida

- C *Florida Specialty Crops Survey.*

Idaho

- C *Investigation of Producers' Management of Storage Problems for Onions.*
- C *Forecasting the Occurrence of Potato Late Blight.*

Iowa

- C *Revenue Insurance for Cattle and Hog Producers.*

New York

- C *New York Specialty Crops Survey.*

Mississippi

- C *National Risk Management Feasibility Program for Aquaculture.*

Pennsylvania

- C *Pennsylvania Specialty Crops Survey.*

Other

- C *Organics Study* - The purpose of this project is to study and provide recommendations on yields, risks, and related issues regarding crops grown for organic purposes.
- C *Value Enhanced Products Research Report* - The purpose of this project is to address identity-preserved and other value-enhanced products including specialty grains, and/or to recommend actions to ensure that risk management programs appropriately address the needs of producers (including the possible use of Written Agreements to modify price elections).

- C *Nursery Program Plant List Research, Updating, and Revisions* - The purpose of these projects is to conduct research on the nursery plant listing and make recommendations for changes for the 2002 crop year, to provide expertise for continued expansion of the nursery eligible plant list, to review and revise winter storage requirements as needed, and to address other nursery issues.
- C *Wild Salmon Feasibility Study* - The purpose of this project is to research the feasibility of developing a risk management strategy for wild sockeye salmon that addresses the economic needs of Bristol Bay fishermen.

Fiscal Year 2001 Projects and Initiatives. Following is a list of projects and initiatives funded during Fiscal Year 2001 in the areas of research and development, risk management education, and civil rights and community outreach. The States indicate the headquarters location for the contractor or partner who was awarded the project, and not the States included in the project or proposed program being researched and/or developed.

CALIFORNIA

University of California, \$925,100 - *Production Input Expenditures Study for Existing RMA Policies* - This project is being conducted to develop a methodology for determining and updating production input expenditure data for certain crops, particularly specialty crops, to facilitate the research and development of new and modified risk management products for producers. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

University of California, \$558,800 - *California Crop Insurance Utilization* - This project is being conducted to identify the potential market for specialty crop insurance and to provide the data necessary to evaluate options for new or modified insurance programs to meet the needs of specialty crop producers. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

FLORIDA

University of Florida, \$394,487 - *Florida Specialty Crops Survey* - This project is being conducted to identify the potential market for specialty crop insurance and to provide the data necessary to evaluate options for new or modified insurance programs to meet the needs of specialty crop producers. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

GEORGIA

University of Georgia, \$165,000 - *Assess the Demand for Specific Weather Peril Insurance* - This project is being conducted to research the feasibility of developing a general class of insurance products to protect against specific weather risks such as high or low precipitation or temperature. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

IDAHO

University of Idaho, \$243,000 - *Forecasting the Occurrence of Potato Late Blight* - This project is being conducted to develop a Potato Late Blight forecasting model for potatoes. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

University of Idaho, \$212,000 - *Investigation of Producers' Management of Storage Problems for Onions* - This project is being conducted to research how producers can minimize losses to stored onions. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

IOWA

Iowa State University, \$387,000 - *Revenue Insurance for Cattle and Hog Producers* - This project is being conducted to research the feasibility of providing beef cattle and hog risk management tools and the relative desirability of these tools. The project promotes the purpose of section 523(b)(2) of the Act as amended by ARPA; that is, to evaluate the effectiveness of risk management tools for livestock producers, including the use of futures and options contracts and policies and plans of insurance that protect the interests of livestock producers and that provide livestock producers with reasonable protection from the financial risks of price or income fluctuations inherent in the production and marketing of livestock.

Agricultural Research Service National Soil Tilth Laboratory, \$187,000 - *Evaluate the Use of Satellite and Aircraft Remote Sensing for Crop Loss Adjustment* - This project is being conducted to adopt the various remote sensing measures of yield to field-scale evaluations of crop yield and yield loss for the purposes of insurance adjustment. The project promotes the purposes of sections 522(d)(1), (2), and (3)(G) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers, and to further increase economic and production stability. It is expected that a risk management tool will be developed to assist producers in receiving the most accurate loss adjustment possible to ensure that producers get all the benefits to which they are entitled.

KANSAS

National Crop Insurance Services, \$153,000 - *Cut Flower Research Report* - This project is being conducted to research the best techniques for insuring cut flowers and cut cultivated floral greens. The project promotes the purpose of section 522(c)(1)(C) of the Act as amended by ARPA; that is, to increase participation by producers of underserved agricultural commodities, including specialty crops.

MISSISSIPPI

Mississippi State University, \$3.6 million - *National Risk Management Feasibility Program for Aquaculture* - The purpose of this project is to conduct a large-scale and thorough investigation into the feasibility of developing and implementing risk management programs for producers of selected aquaculture species (catfish, salmon, trout, and baitfish) in the United States, and to provide FCIC risk management products, policies, and related materials necessary to implement these programs. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

MONTANA

Watts and Associates, \$931,000 - *Feasibility of Revenue Coverage Plans that Maximize Producer Revenue - Research Report* - This project is being conducted to investigate opportunities for new and improved revenue coverage plans. The project promotes the purpose of section 522(c)(8) of the Act requiring the Corporation to enter into a contract for research and development regarding one or more revenue coverage plans that are designed to enable producers to take maximum advantage of fluctuations in market prices and thereby maximize revenue realized from the sale of an agricultural commodity. The purpose of this task order is to conduct a feasibility study that will provide information for subsequent program development activity.

Watts and Associates, \$487,000 - *Multiple Year Coverage - Research Report* - This project is being conducted to determine if a multi-year policy would reduce fraud, waste, and abuse of crop insurance in certain geographic areas. The project promotes the purpose of section 522(c)(7) of the Act requiring the Corporation to contract with a qualified person to determine whether offering policies that provide coverage for multiple years would reduce fraud, waste, and abuse by persons that participate in the Federal crop insurance program.

Watts and Associates, \$211,000 - *Cotton Boll Weevil Eradication Program Impact on Actual Production History (APH) Yields (Research Report)* - This project is being conducted to analyze changes in cotton yields where measures have been taken to reduce boll weevils. The project is directed at the purpose of section 508(g)(5) of the Act requiring the Corporation to develop a methodology for adjusting the actual production history of a producer when specified conditions apply and crop yields are increased as a result of successful pest control efforts.

NEW YORK

Cornell University, \$108,000 - *New York Specialty Crops Survey* - This project is being conducted to identify the potential market for specialty crop insurance and to provide the data necessary to evaluate options for new or modified insurance programs to meet the needs of specialty crop producers. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

PENNSYLVANIA

Penn State University, \$93,000 - *Pennsylvania Specialty Crops Survey* - This project is being conducted to identify the potential market for specialty crop insurance and to provide the data necessary to evaluate options for new or modified insurance programs to meet the needs of specialty crop producers. The project promotes the purpose of section 522(d)(1) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers of agricultural commodities covered by section 196 of the Agricultural Market Transition Act (7 U.S.C. 7333), specialty crops, and underserved agricultural commodities.

TEXAS

AgriLogic, Inc., \$3,498,000 - *Research and Development of a Cost of Production Insurance Program for Soybeans, Corn, Cotton, Wheat, Rice, Almonds, Peaches, Cranberries, Apricots, Nectarines, Onions, and Sugarcane* - This project is being conducted to research and deliver components of cost-of-production based revenue insurance programs for the 12 specified crops in select areas. The project promotes the purpose of section 522(c)(9) of the Act requiring the Corporation to enter into a contract for research and development regarding a cost-of-production policy.

AgriLogic, Inc., \$563,000 - *Pasture and Rangeland Program - Research Report* - This project is being conducted to investigate possibilities for risk management programs for pastures or rangeland for forage. The project promotes the purpose of section 522(c)(6) of the Act requiring the Corporation to establish as one of the highest research and development priorities of the Corporation the development of a pasture, range, and forage program.

AgriLogic, Inc., \$530,000 - *Fresh Vegetables -- Research Report* - This project is being conducted to research the potential for development of a risk management strategy to provide coverage for asparagus, broccoli, carrots, cauliflower, celery, garlic, globe artichoke, lettuce-head, lettuce-leaf, lettuce-romaine, and spinach. The project promotes the purpose of section 522(c)(1)(C) of the Act as amended by ARPA; that is, to increase participation by producers of underserved agricultural commodities, including specialty crops.

AgriLogic, Inc., \$499,000 - *Perennial Pathogen Research Report* - This project is being conducted to research the potential for development of a risk management strategy for tree, vine, and bush crop growers that are subject to perennial crop pathogens. The project promotes the purpose of section 522(c)(1)(C) of the Act as amended by ARPA; that is, to increase participation by producers of underserved agricultural commodities, including specialty crops.

AgriLogic, Inc., \$376,000 - *Quarantine Research and Program Design Report* - This project is being conducted to research the potential for development of a risk management tool for producers of crops subject to quarantine regulations. The project promotes the purpose of section 522(c)(1)(C) of the Act as amended by ARPA; that is, to increase participation by producers of underserved agricultural commodities, including specialty crops. Any quarantine risk management program will address underserved specialty crops that are neither currently insurable under the Federal crop insurance program nor generally insurable in the private sector, and will expand coverage for some crops, including specialty crops, currently insured but unprotected from quarantine risk.

AgriLogic, Inc., \$215,000 - *Hawaii Tropical Fruits and Trees (Research Report)* - This project is being conducted to research the best approaches to provide risk management strategies for the following crops defined under Hawaii Tropical Fruits and Trees: Bananas, Coffee, Guavas, Papaya, Pineapples, Mango, Lychee, Rambutan, and Atemoya (Moya). The project promotes the purpose of section 522(c)(1)(C) of the Act as amended by ARPA; that is, to increase participation by producers of underserved agricultural commodities, including specialty crops.

WASHINGTON

Washington State University, \$169,000 - *Pacific Northwest Grain Growers' Income Risk Management* - This project is being conducted to determine optimal strategies for dryland grain growers to manage risk with crop insurance and futures contracts. The project promotes the purposes of sections 522(d)(1), (2), and (3)(G) of the Act as amended by ARPA; that is, to increase the availability of loss mitigation, financial, and other risk management tools for producers, and to further increase economic and production stability. The results of this project may lead to the development of new risk management tools for producers in the Pacific Northwest.

Other research and development projects include:

Income Protection Rating and Pricing Evaluation - This project is being conducted to evaluate a pilot crop insurance program as required under section 523(a)(5)(A) and (B) of the Act as amended by ARPA. The evaluation process is one of the key steps in the research and development process for a pilot program consistent with section 523(a)(1) of the Act.

Performance-based Premium Rate Discount Report - This project is being conducted to examine, develop, and evaluate the effect of good experience discounts on RMA program loss experience and producer participation. The project promotes the purpose of section 508(d)(3) of the Act; that is, to provide a performance based premium discount for a producer of an agricultural commodity who has good insurance or production experience relative to other producers of that agricultural commodity in the same area, as determined by the Corporation.

Sweetpotato Pilot Evaluation Feedback and Issues Report - This project is being conducted to evaluate a pilot crop insurance program as required under section 523(a)(5)(A) and (B) of the Act as amended by ARPA. The evaluation process is one of the key steps in the research and development process for a specialty crop pilot program consistent with section 522 (c)(1) and 523(a)(1) of the Act.

Pecan Pilot Evaluation Feedback and Issues Report - This project is being conducted to evaluate a pilot crop insurance program as required under section 523(a)(5)(A) and (B) of the Act as amended by ARPA. The evaluation process is one of the key steps in the research and development process for a specialty crop pilot program consistent with section 522 (c)(1) and 523(a)(1) of the Act.

Avocado Pilot Rating Evaluation and Analysis - This project is being conducted to evaluate a pilot crop insurance program as required under section 523(a)(5)(A) and (B) of the Act as amended by ARPA. The evaluation process is one of the key steps in the research and development process for a specialty crop pilot program consistent with section 522 (c)(1) and 523(a)(1) of the Act.

Risk Management Education. In Fiscal Year 2001, RMA entered into partnership agreements with the following State agriculture departments to provide risk management education for producers, especially those growing specialty crops.

State Agriculture Departments receiving underserved funds:

Connecticut, \$297,000; Delaware, \$160,000; Maine, \$285,000; Maryland, \$285,000; New Hampshire, \$200,000; New Jersey, \$325,000; New York, \$300,000; Pennsylvania, \$365,000; Rhode Island, \$165,000; Vermont, \$200,000.

State Agriculture Departments receiving specialty crop funds:

Florida, \$400,000; Michigan, \$250,000; Utah, \$219,000; Virginia, \$200,000; Washington, \$200,000; West Virginia, \$290,000.

RMA also provided \$5 million to the Cooperative State Research, Education, and Extension Service (CSREES) to develop risk management education programs. CSREES set up four regional centers that will share a distribution of expected funding on a competitive basis in the future. This year, small block grants were awarded to land-grant universities and private groups.

Civil Rights and Community Outreach. To continue RMA's outreach programs to small, limited-resource, and under-served communities, RMA funded the following groups in Fiscal Year 2001:

ALABAMA

Alabama A&M University, \$25,000 - To develop and implement risk management education programs for small and limited-resource producers in North Alabama.

ALABAMA, GEORGIA, MISSISSIPPI, SOUTH CAROLINA

Federation of Southern Cooperatives, \$279,950 - To improve delivery of insurance products to small and limited-resource farmers by recruiting and training agents for underserved areas and to expand risk management education to underserved, diverse communities.

CALIFORNIA

Hmong-American Community, \$62,850 - To help establish a small farm resource center in the California Central Valley to provide training for limited-resource farmers and ranchers on the effective use of risk management tools and practices.

University of California, \$12,000 - To provide risk management information and training for Southeast Asians in Fresno County and adjoining counties.

MASSACHUSETTS, NEW HAMPSHIRE, RHODE ISLAND

Tufts University, \$155,875 - To educate immigrant farmers about risk management strategies and programs for new producers.

ACTIVE PILOT CROP INSURANCE PROGRAMS

Introduction

ARPA amended the Act to add section 523 Pilot Programs at the end. Although pilot programs have been utilized for a number of years to test new risk management product introductions, ARPA changed the Act to provide the following text regarding the scope of pilot programs.

“(4) SCOPE OF PILOT PROGRAMS.—The Corporation may—

- (A) approve a pilot program under this section to be conducted on a regional, State, or national basis after considering the interests of affected producers and the interests of, and risks to, the Corporation;
- (B) operate the pilot program, including any modifications of the pilot program, for a period of up to 4 years;
- (C) extend the time period for the pilot program for additional periods, as determined appropriate by the Corporation; and
- (D) provide pilot programs that would allow producers—
 - (i) to receive a reduced premium for using whole farm units or single crop units of insurance; and
 - (ii) to cross State and county boundaries to form insurable units.

Status of Pilot Programs

Following are the active pilot programs currently available by RMA and approved Insurance Providers. This listing does not include private products submitted under section 508(h) of the Act. Also shown is the year the pilot program was introduced.

Active Pilot Programs:

Details on these pilot programs can be found at the RMA web site:
<http://www.rma.usda.gov/pilots/>.

Adjusted Gross Revenue (AGR plan of insurance) - 1999
Apple Pilot Quality Option - 2001
Avocados (Revenue plan) - 1998
Avocados (Individual Yield plan) - 1999
Avocado/Mango Trees - 1998
Blueberries - 1995
Cabbage - 1999
Cherry - 1999
Citrus Fruit (California - Dollar revenue plan) - 2001
Corn Rootworm Integrated Pest Management - 1998
Coverage Enhancement Option - 2000
Crambe - 1999
Cultivated Clams - 2000
Cultivated Wild Rice - 1999
Dairy Options - 1998 Fiscal Year
Florida Fruit Trees - 1996
Forage Seed - 2002
Income Protection plan of insurance - 1996
Millet - 1996
Mint - 2000
Mustard - 1999
Onion Pilot Stage Removal Option - 2000
Pecan (Revenue plan) - 1998
Processing Chile Peppers - 2000
Processing Cucumbers - 2000
Rangeland (Group Risk Plan) - 1999
Raspberry/Blackberry - 2002
Strawberries - 2000
Sweetpotatoes - 1998
Winter Squash (including pumpkins) - 1999

Expansion of Pilot Programs. As a general rule, expansion of a pilot program during the pilot period is considered if such expansion will provide different program experience (such as different crop types or practices than the original pilot program) than may be gained from the original pilot program.

Summary of Business. Summaries of the insurance experience of these pilot programs and other crop insurance programs can be found at the RMA web site <http://www.rma.usda.gov/data/>.

PROGRAM EXPANSION PLANS BEYOND THE 2002 CROP YEAR

Introduction

Program expansion consists of two distinct processes: (a) expanding existing (permanent or pilot) crop policies into new areas and (b) developing new crop programs or risk management strategies.

For the 2000 and 2001 crop years, crop insurance was offered on 82 and 83 different crops, as shown in Appendix 1 and Appendix 2¹. This equates to approximately 600 commodities as enumerated for disaster assistance program purposes. These crops for which insurance is offered represent approximately 86 percent of the commercial value of all crops grown in the United States (scoring a crop at 100 percent of the nationwide value for that crop if a program is available, regardless of the extent of its availability).

During the 2000 and 2001 crop years, crop programs were offered for 36,262 and 38,462 county/crop combinations, plus approximately 3,000 county/crop programs for nursery insurance.

Pilot Program Plans for the Future

Fiscal Year 2002 Priorities for Projects Based Upon Efforts Conducted During Fiscal Year 2001. RMA is aggressively continuing its efforts toward new program research and expansion. Specific projects currently at the forefront of the schedule for new program development are listed below. Details regarding these projects are listed below the name of the project or may be found, as indicated below, in this Report to Congress under The Agricultural Risk Protection Act of 2000 (ARPA), in the section on Contracting and Partnership Efforts, at the subsection on Fiscal Year 2001 Projects and Initiatives, by referring to the listing for the State indicated. The details for these projects that include a reference to the State listing are specific to work awarded during Fiscal Year 2001. These projects depend on the studies or other work conducted during Fiscal Year 2001. The States indicate the headquarters location for the Contractor who was awarded the related task order during Fiscal Year 2001, and not the States included in the proposed program being researched and/or developed. There is also no guarantee that the projects will be awarded, or that the contractor or partner who worked on the related project in Fiscal Year 2001 will be awarded the project for the 2002 or subsequent fiscal years.

Kansas

C Cut Flowers and Cut Cultivated Floral Greens (Pilot Program Development)

¹Crops can be counted in a number of different ways. The number reported here is based on an aggregated method for some crops such as grapes (with all varieties counted as one crop, except that the wine grape (grape) and table grape programs are counted separately). Likewise, nursery includes virtually thousands of insurable plant species, but is counted as one crop. However, types of citrus (for example, oranges, grapefruit, lemons) and stonefruit (that is, apricots, nectarines, and peaches) are each counted as a crop.

Montana

- C Multiple Year Coverage (Possible Program Changes).
- C Revenue Coverage (Pilot Program Development).

Texas

- C Hawaii Tropical Fruits and Trees (Pilot Program Development).
- C Quarantine Crop Insurance (Pilot Program Development).
- C Perennial Pathogen (Pilot Program Development).
- C Fresh Vegetables (Pilot Program Development).

Other

- C Additional Cost of Production Based Revenue Programs (Research and Development)
The purpose of this project is to expand the cost of production pilot program, if approved by FCIC, to additional commodities determined to be appropriate.
- C Wild Salmon (Pilot Program Development)
The purpose of this project is to develop a wild salmon insurance program, if determined to be feasible based upon the research report previously conducted for FCIC.

Fiscal Year 2002 Feasibility Studies and Research Reports. The following projects are under consideration for Fiscal Year 2002, and may be conducted as feasibility studies or research reports, or the scope of the project may change as a result of input received during the project development process.

- C *Biomass (Feasibility Study)* - The purpose of this project is to conduct a feasibility study of biomass issues affecting producers and crop insurance programs, and appropriate products to address identified needs.
- C *Livestock Disease Risk Management Tools (Research Report)* - The purpose of this project is to conduct research and provide RMA a research report providing basic supporting information to facilitate developing disease risk management tools for livestock and poultry producers.
- C *Tree, Vine, and Bush Replacement Program (Feasibility Study)* - The purpose of this project is to conduct research and provide RMA a research report on the potential research and development of a tree, vine, and bush replacement program as an option for growers of grapes, citrus, tree fruit, nut, kiwi, blueberries, and other high-value, permanent crops.
- C *Melon Pilot Program (Feasibility Study)* - The purpose of this project is to conduct research and provide RMA a research report on the feasibility of the research and development of a pilot program to provide melon producers a risk management tool to address their needs, with consideration given to experience gained and comments received on the suspended watermelon pilot program.
- C *Lawn Seed Pilot Program (Feasibility Study)* - The purpose of this project is to conduct research and provide RMA a research report on the feasibility of a pilot program to provide lawn seed producers a risk management tool to address their needs.
- C *Vegetable and Flower Seed Pilot Program (Feasibility Study)* - The purpose of this project is to conduct research and provide RMA a research report on the feasibility of a pilot program to provide vegetable and flower seed producers a risk management tool to address their needs.

- C *Christmas Tree Pilot Program (Feasibility Study)* - The purpose of this project is to conduct research and provide RMA a research report on the feasibility of a pilot program to provide Christmas tree producers a risk management tool to address their needs.
- C *Sesame Pilot Program (Feasibility Study)* - The purpose of this project is to conduct research and provide RMA a research report on the feasibility of a pilot program to provide sesame producers a risk management tool to address their needs.
- C *Risk Management Stabilization Accounts (Feasibility Study)* - The purpose of this project is to conduct research and provide RMA a research report on the feasibility of a program to provide producers risk management stabilization accounts to enable them to manage or mitigate production or income losses, with priority consideration for producers growing agricultural commodities for which no Federal crop insurance program is available.
- C *Risk Management Crop Storage Options (Feasibility Study)* - The purpose of this project is to determine the need and direction of research and potential development of an insurance product that provides protection for producer-owned apple, onion, sugar beet, and sweetpotato crops during storage.

Other projects under consideration for Fiscal Year 2002, include:

- C *Acts of Terrorism and Other Events Impacting Agricultural Risk Management* - The purpose of this project is to identify events such as acts of terrorism that impact agricultural risk management; and to determine the need for, and feasibility of, developing risk management programs to protect producers against damages they may suffer from such events.
- C *Direct Marketing of Perishable Crops* - The purpose of this project is to conduct research and develop recommendations regarding the handling of direct marketing under existing crop insurance programs; and, if appropriate, the research and development of a pilot program to address the specific needs of producers who market their crops directly to the consumer.
- C *Evaluating Possible Changes to the Pilot Cultivated Clam Program* - The purpose of this project is to determine appropriate changes that need to be made to the Pilot Cultivated Clam Program to meet producers' needs.
- C *Evaluating Possible Changes to the Pilot Fresh Market Snap Bean Program* - The purpose of this project is to obtain input from fresh market snap bean producers and producer groups in the pilot program States to determine the need and feasibility of either modifying the current crop insurance program or offering an alternative fresh market bean crop insurance program that would increase participation.
- C *Permanent Program Evaluations* - The purpose of these projects is to conduct targeted evaluations on specific permanent Federal crop insurance programs.
- C *Program Evaluations for the following Pilot Crop Insurance Programs:*
 The purpose of these projects is to conduct evaluations, or evaluation reports from the previous year's evaluation, on the following pilot crop insurance programs. RMA will then use this information and the recommendations to determine whether to modify the programs, convert the programs to permanent program status, or take other actions determined appropriate based on the results of each evaluation and subsequent report.
 - Sweetpotato (Evaluation report from previous year's evaluation)
 - Pecans (Evaluation report from previous year's evaluation)
 - Income Protection (Evaluation report from previous year's evaluation)

- Avocado APH (Evaluation)
- Cabbage (Evaluation)
- Cherry (Evaluation)
- Crambe (Evaluation)
- Mustard (Evaluation)
- Rangeland GRP (Evaluation)
- Squash and Pumpkin (Evaluation)
- Wild Rice (Evaluation)

Fiscal Year 2003 Potential New Crop Program Projects. Programs at the forefront for program research and development consideration include:

- C Herbs
- C Bulbs, Corms, Tubers, and Rhizomes
- C Bees and Honey
- C Olives
- C Maple Syrup
- C Hazelnuts

It is anticipated that a number of pilot programs under research and development during Fiscal Years 2001-03 will be implemented by RMA and its private sector partners as risk management programs for producers effective beginning the 2003-06 crop years, pending feasibility studies, development activities, and related issues. While it is difficult to predict the specific crop year and locations for which a program may be initiated, RMA updates a number of reports, including this report, to identify the status of program development as the process moves forward.

Plans of Insurance Submitted under Section 508(h) of the Act, Confidentiality Provisions, Procurement Sensitivity of Information, and Related Issues. In addition to the above programs under research and development or under consideration for research and development, private products are anticipated to be submitted to the Corporation under section 508(h) of the Act. Details on products are subject to the confidentiality provisions of the Act. Details on programs developed through contracts and agreements with other parties are subject to certain restrictions, including the release of potentially procurement-sensitive information. At some point during the developmental process, regardless of the approach used, it is possible that a decision will be made not to proceed with initiation of the proposed program(s). Instead, a decision may be made to gather more data for analysis, modify the proposed program, or discontinue efforts to develop the program. As an example, producer groups may determine that they are no longer interested in a program being developed or that they prefer a different approach than the one they may have originally recommended. Also, a private product may be developed and made generally available that would preclude RMA from continuing research and development efforts for a program covering the same risk.

PUBLIC AWARENESS

Internet Web Sites

RMA's internet home page is devoted to making it easier for producers and other customers to access crop insurance data and materials related to the Agency's work. The following is a sample of the information provided via the web site at <http://www.rma.usda.gov>.

Actuarial Information

Agent Locator

Calendar of Events

Crop Policies

Crop Weather

Participation Data

Pilot Programs

Feasibility studies

Publications, including:

- FCIC Board Briefs and Manager's reports
- Summary of Business reports
- Manager's Bulletins
- Research and Development Bulletins

Risk Management Education

RMA's Risk Management Education (RME) program used many methods to raise awareness for and to communicate key program information on new and specialty crop expansion.

During FY2001, RMA funded 206 small partnership projects through its Risk Management Education (RME) Division that were directed at helping specialty crop producers. These projects, seminars, and workshops raised awareness of existing and emerging risk management tools. In addition, nine cooperative agreements were funded for establishing specialty crop education programs in areas that have significant concentrations of specialty crops. They include some projects reported in the section on ARPA, and are as follows:

• West Virginia State Department of Agriculture	\$290,000
• Utah State Department of Agriculture & Food	\$219,000
• Washington State Department of Agriculture	\$200,000
• Florida State Department of Agriculture & Consumer Services	\$400,000
• Michigan State Department of Agriculture	\$250,000
• Virginia State Department of Agriculture	\$200,000
• Georgia Fruit & Vegetable Association	\$ 49,200
• Montana State University	\$ 74,800
• Washington State University	\$ 24,800

Funding for these projects was authorized by section 522(d)(3)(F) of the Act.

In addition to educational programs directed specifically to producers of specialty crops, two other RMA educational programs benefited specialty crop producers during FY2001. The first was authorized in the 2000 Act as an amendment to section 524(a)(2) of the Act. This program provides \$5 million per year for RMA to establish crop insurance education and information programs in States in which crop insurance participation has been historically low. Most of these States have a relatively high percentage of specialty crop production. To implement this program, RMA established cooperative agreements with State departments of agriculture in most of the underserved States. RMA supplemented this initiative in underserved States by funding a Risk Management Education for Youth Program, by distributing fact sheets and other publications, and by funding several smaller education projects directed mostly at specialty crop producers.

Another RMA program to benefit specialty crop producers provides those producers in underserved States with cost sharing assistance in the purchase of Adjusted Gross Revenue (AGR) insurance. AGR is a product that is particularly suited for diversified specialty crop producers, because it guarantees a revenue level for the whole farm, rather than for individual crops, and rewards highly diversified farmers with higher coverage levels and smaller insurance premiums. Introduced into 36 counties in 5 States in 1999, the program is now available in 214 counties in 17 States. Preliminary reports indicate 560 policies were sold for 2001, approximately a 700-percent increase over 2000. Total liability is estimated at \$201,865,440, compared to the total liability of \$9,330,632 for 2000. These reports also indicate an average of four commodities insured per policy, which is equivalent to 2,240 individual crop policies.

Miscellaneous Activities

In addition to the activities identified at the end of the Specialty Crops Coordinator section of this report, project managers and others working on research and development projects have also participated in such activities, along with representatives from the Agency's Regional Offices; Kansas City, Missouri, office; and Washington, D.C., office. In conjunction with and in addition to RMA's activities, public awareness of agricultural risk management has been increased significantly by the efforts of representatives of Congress, the crop insurance industry, contractors and partnership entities conducting projects for RMA, other government agencies, academia, the media, and the agriculture industry in general.

**APPENDIX 1 –
Individual Crops Insured Under 2000 Crop Insurance Programs**

Almonds	Hybrid Corn Seed
Apples	Hybrid Grain Sorghum Seed
Avocado Revenue*	Macadamia Nuts
Avocado/Mango Trees (Florida)*	Macadamia Trees
Avocado Yield Guarantee*	Millet*
Barley (APH, IP*)	Mint*
Blueberries*	Mustard*
Cabbage*	Nursery
Canola/Rapeseed	Oats
Cherry (Dollar)*	Onions
Chile Peppers*	Peaches
Citrus	Peanuts (APH, GRP)
C Grapefruit	Pears
C Lemons	Pecan Revenue*
C Limes	Peppers
C Mandarins	Plums
C Murcotts	Popcorn
C Oranges	Potatoes
C Tangelos	Processing Cucumbers*
C Tangerines	Prunes
Citrus Tree (Texas)	Raisins
Clams*	Rangeland (GRP)*
Corn (APH, CRC**, GRIP**, GRP, IP*, RA**)	Rice (APH, CRC**)
Cotton (APH, CRC**, GRP, IP*)	Rye
Crambe*	Safflower
Cranberries	Soybeans (APH, CRC**, GRIP**, GRP, IP*, RA**)
Cultivated Wild Rice*	Strawberries*
Dry Beans	Stonefruit
Dry Peas	C California Apricots
ELS Cotton	C California Nectarines
Figs	C California Peaches
Flax	Sugar Beets
Florida Fruit Tree*	Sugarcane
Forage (APH, GRP)	Sunflowers
Forage Seeding	Sweet Corn for Canning
Fresh Market Beans*	Sweetpotatoes*
Fresh Market Sweet Corn	Table Grapes
Fresh Market Tomatoes	Tobacco
Grain Sorghum (APH, CRC**, GRP, IP*)	Tomatoes (Canning and Processing)
Grapes	Walnuts
Green Beans for Canning	Wheat (APH, CRC**, GRP, IP*, RA**)
Green Peas	Winter Squash*

* Crops/crop programs which are currently insured under pilot programs of limited scope and duration.

** Crops/crop programs which were submitted and approved under section 508(h) of the FCI Act.

APH = Actual Production History; CRC = Crop Revenue Coverage; GRIP = Group Risk Income Protection; GRP = Group Risk Plan; IP = Income Protection; RA = Revenue Assurance.

**APPENDIX 2 –
Individual Crops Insured Under 2001 Crop Insurance Programs**

Almonds	Hybrid Grain Sorghum Seed
Apples	Macadamia Nuts
Avocado Revenue*	Macadamia Trees
Avocado/Mango Trees (Florida)*	Millet*
Avocado Yield Guarantee*	Mint*
Barley (APH, IP*)	Mustard*
Blueberries*	Nursery
Cabbage*	Navel Oranges (Citrus \$)*
Canola/Rapeseed	Oats
Cherry (Dollar)*	Onions
Chile Peppers*	Peaches
Citrus	Peanuts (APH, GRP)
C Grapefruit	Pears
C Lemons	Pecan Revenue*
C Limes	Peppers
C Mandarins	Plums
C Murcotts	Popcorn
C Oranges	Potatoes
C Tangelos	Processing Cucumbers*
C Tangerines	Prunes
Citrus Tree (Texas)	Raisins
Clams*	Rangeland (GRP)*
Corn (APH, CRC**, GRIP**, GRP, IP*, RA**)	Rice (APH, CRC**)
Cotton (APH, CRC**, GRP, IP*)	Rye
Crambe*	Safflower
Cranberries	Soybeans (APH, CRC**, GRIP**, GRP, IP*, RA**)
Cultivated Wild Rice*	Strawberries*
Dry Beans	Stonefruit
Dry Peas	C California Apricots
ELS Cotton	C California Nectarines
Figs	C California Peaches
Flax	Sugar Beets
Florida Fruit Tree*	Sugarcane
Forage (APH, GRP)	Sunflowers
Forage Seeding	Sweet Corn for Canning
Fresh Market Beans*	Sweetpotatoes*
Fresh Market Sweet Corn	Table Grapes
Fresh Market Tomatoes	Tobacco
Grain Sorghum (APH, CRC**, GRP, IP*)	Tomatoes (Canning and Processing)
Grapes	Walnuts
Green Beans for Canning	Wheat (APH, CRC**, GRP, IP*, RA**)
Green Peas	Winter Squash*
Hybrid Corn Seed	

* Crops/crop programs which are currently insured under pilot programs of limited scope and duration.

** Crops/crop programs which were submitted and approved under section 508(h) of the FCI Act.

APH = Actual Production History; CRC = Crop Revenue Coverage; GRIP = Group Risk Income Protection; GRP = Group Risk Plan; IP = Income Protection; RA = Revenue Assurance.

**APPENDIX 3–
Individual Crops Insured Under 2002 Crop Insurance Programs**

Almonds	Hybrid Grain Sorghum Seed
Apples	Macadamia Nuts
Avocado Revenue*	Macadamia Trees
Avocado/Mango Trees (Florida)*	Millet*
Avocado Yield Guarantee*	Mint*
Barley (APH, IP*)	Mustard*
Blueberries*	Nursery
Cabbage*	Navel Oranges (Citrus \$)*
Canola/Rapeseed	Oats
Cherry (Dollar)*	Onions
Chile Peppers*	Peaches
Citrus	Peanuts (APH, GRP)
C Grapefruit	Pears
C Lemons	Pecan Revenue*
C Limes	Peppers
C Mandarins	Plums
C Murcotts	Popcorn
C Oranges	Potatoes
C Tangelos	Processing Cucumbers*
C Tangerines	Prunes
Citrus Tree (Texas)	Raisins
Clams*	Rangeland (GRP)*
Corn (APH, CRC**, GRIP**, GRP, IP*, RA**)	Raspberries/Blackberries
Cotton (APH, CRC**, GRP, IP*)	Rice (APH, CRC**)
Crambe*	Rye
Cranberries	Safflower
Cultivated Wild Rice*	Soybeans (APH, CRC**, GRIP**, GRP, IP*, RA**)
Dry Beans	Strawberries*
Dry Peas	Stonefruit
ELS Cotton	C California Apricots
Figs	C California Nectarines
Flax	C California Peaches
Florida Fruit Tree*	Sugar Beets
Forage (APH, GRP)	Sugarcane
Forage Seed	Sunflowers
Forage Seeding	Sweet Corn for Canning
Fresh Market Beans*	Sweetpotatoes*
Fresh Market Sweet Corn	Table Grapes
Fresh Market Tomatoes	Tobacco
Grain Sorghum (APH, CRC**, GRP, IP*)	Tomatoes (Canning and Processing)
Grapes	Walnuts
Green Beans for Canning	Wheat (APH, CRC**, GRP, IP*, RA**)
Green Peas	Winter Squash*
Hybrid Corn Seed	

* Crops/crop programs which are currently insured under pilot programs of limited scope and duration.

** Crops/crop programs which were submitted and approved under section 508(h) of the FCI Act.

APH = Actual Production History; CRC = Crop Revenue Coverage; GRIP = Group Risk Income Protection; GRP = Group Risk Plan; IP = Income Protection; RA = Revenue Assurance.