

**SUMMARY OF CHANGES FOR THE  
SHELLFISH PILOT COMMODITY PROVISIONS (26-0115)  
(RELEASED AUGUST 2025)**

The following is a brief description of changes to the Commodity Provisions that will be effective for the 2026 and succeeding crop years. Please refer to the Commodity Provisions for more complete information.

Throughout the policy –

- Replaced the term “named storms” with the term “qualifying storms.”
- Updated crop year references.
- Changed reference from “actuarial documents” to “Special Provisions,” as appropriate.



UNITED STATES DEPARTMENT OF AGRICULTURE  
Federal Crop Insurance Corporation  
SHELLFISH COMMODITY PROVISIONS

In return for your payment of premium and administrative fee for coverage, these Shellfish Commodity Provisions and corresponding Shellfish Data Provisions will be attached to and made part of the Common Crop Insurance Policy, Basic Provisions (Basic Provisions) subject to the terms and conditions described in your policy.

**1. Definitions**

**Actual yield** – In lieu of the definition in section 1 of the Basic Provisions, the total number of the commodity (which includes harvested and appraised mature production) as documented by production records or claims for indemnities for the basic unit.

**Adjacent county** – Counties identified in the US Census County Adjacency File located at [www2.census.gov/geo/docs/reference/county\\_adjacency.txt](http://www2.census.gov/geo/docs/reference/county_adjacency.txt) or successor location, unless excluded in the Special Provisions.

**Adjusted mean survival rate** – The simple average of the standardized survival rates for the APH base period for the applicable growing interval that is used to determine your expected yield for the current crop year.

**Approved yield** – In lieu of the definition in section 1 of the Basic Provisions, the approved yield for the basic unit for the crop year is the lesser of:

- (1) Your average yield for the basic unit multiplied by 1.25; or
- (2) The expected yield.

**Assigned yield** – In lieu of the definition in section 1 of the Basic Provisions, an annual yield assigned according to FCIC approved procedures for an APH crop year when you do not file an acceptable production report, or when upon request by us, or any other person authorized by FCIC, you do not provide acceptable evidence of production and seed records to support your production report. The assigned yield will not be more than 75 percent of the prior year's approved yield. If an assigned yield cannot be determined due to no prior year's approved yield, no coverage will be provided.

**Average yield** – In lieu of the definition in section 1 of the Basic Provisions, the result of summing the yearly actual and assigned yields for the APH database and dividing the sum by the number of yields contained in the APH database for the applicable growing interval.

**Basic unit** – In lieu of the definition in section 1 of the Basic Provisions, a basic unit will be all of the insurable commodity in the county for which you have a share on the date coverage begins for the crop year.

**Commodity** – An agricultural commodity as defined in the Basic Provisions. The term commodity will have the same meaning as crop when referenced in applicable sections of the Basic Provisions, these Commodity Provisions, and applicable FCIC approved procedures.

**Commodity report** – In addition to section 6 of the Basic Provisions, your report of the insured commodity in the county, whether insurable or not insurable. For the purposes of these Commodity Provisions, the commodity report functions as the acreage report.

**Commodity reporting date** – The date contained in the Special Provisions by which you are required to submit your commodity report.

**Containers** – Floats, bags, rafts, trays, longline systems, racks, and other off-bottom cages commonly used by the shellfish industry.

**County loss trigger** – The occurrence of an insurable cause of loss as determined in accordance with these Commodity Provisions and the SDP. A county meeting the county loss trigger will be specified in the actuarial documents.

**Crop year** – In accordance with the definition in section 1 of the Basic Provisions, the calendar year of expected harvest.

**Expected yield** – The result of the number of seed purchased from a private or commercial shellfish nursery or hatchery or the number of seed removed from a producer nursery system that are placed into containers for the crop year (as determined by the applicable growing interval) multiplied by the adjusted mean survival rate.

**Growing interval** – The time between the calendar year the seeds were placed in containers and the crop year for the insured commodity and county and is used to calculate the expected yield. The growing interval must be based on the majority of the seeds in your operation as follows:

- (1) Growing Interval I – The majority of the seed is placed in containers one calendar year prior to the crop year (e.g., for crop year 2026, seeds are placed in containers in 2025).
- (2) Growing Interval II – The majority of the seed is placed in containers two calendar years prior to the crop year (e.g., for crop year 2026, seeds are placed in containers in 2024).
- (3) Growing Interval III – The majority of the seed is placed in containers three calendar years prior to the crop year (e.g., for crop year 2026, seeds are placed in containers in 2023).

**Harvest** – The removal of the mature commodity from the basic unit.

**Maximum over established price** – The upper limit to the producer price option, as shown in the actuarial documents.

**NHC** – National Hurricane Center.

**NOAA** – National Oceanic and Atmospheric Administration.

**Observed survival rate** – The percentage determined by dividing the harvested production for each crop year by the number of seed placed in containers in the calendar year corresponding to the growing interval (e.g., for Growing Interval II, divide the harvested production from the 2026 crop year by the number of seed placed in containers in 2024).

**Price election** – The price election, elected by you by the sales closing date:

- (1) As defined in section 1 of the Basic Provisions,

shown as the “established price” in the actuarial documents; or

(2) The producer price option.

**Private or commercial shellfish nursery or hatchery** – A business, a person, or other entity engaged in the growth and sale of shellfish seed.

**Producer nursery system** – A system used by you to grow shellfish seed purchased at an uninsurable size to an insurable size, that, if inspected by us, is considered acceptable to us. Producer nursery systems include upwellers, downwellers, raceways, field nurseries, and other systems recognized by the industry as acceptable.

**Producer price option** – The producer price option is calculated as the average price received by you for each year in the most recent four APH crop years up to the maximum over established price. The average price is the total dollar sales of the commodity divided by the total number of the commodity sold for each crop year.

**Production guarantee** – In lieu of the definition in section 1 of the Basic Provisions, the number of the commodity determined by multiplying the approved yield for the basic unit by the coverage level percentage you elect.

**Qualifying storms** – Low pressure systems as identified by NOAA-NHC, including hurricanes, and nor’easters as provided in the SDP.

**Shellfish** – Oysters and other commodities as specified in the actuarial documents.

**Shellfish Data Provisions (SDP)** – A document that describes the methodology utilized by FCIC in identifying counties subject to a county loss trigger.

**Standardized survival factor** – A percentage established by FCIC based on different seed sizes that are used to calculate your standardized survival rate. The seed size factors are contained in the Special Provisions.

**Standardized survival rate** – Your observed survival rate for the applicable seed size for each crop year in the APH base period, as specified in section 3(d)(1)(ii), multiplied by the standardized survival factor for that seed size.

**Type** – A category of the commodity identified as a type in the Special Provisions.

## 2. Unit Division

- (a) A basic unit as defined in section 1 will apply.
- (b) No other unit division is allowed under section 34 of the Basic Provisions.

## 3. Insurance Guarantees, Coverage Levels, and Prices

- (a) If you elect the Catastrophic Risk Protection (CAT) level of coverage, you may not elect the producer price option.
- (b) A single growing interval will apply for all of the insured commodity in the county.
  - (1) The growing interval must represent the majority of the seeds in your operation; and
  - (2) The growing interval for the current crop year will apply for each subsequent crop year your policy is in effect for the insured commodity except as provided in section 3(c).
- (c) You may request a change to your growing interval based on a change in seed size, or other reasons identified in FCIC approved procedures, in a subsequent crop year by requesting the change in

writing not later than the sales closing date. The requested change must be approved by us in accordance with FCIC approved procedures.

(d) In lieu of section 3(f)(1) of the Basic Provisions, to be eligible for insurance, you must provide an annual production report for the basic unit and applicable growing interval by the production reporting date designated in the Special Provisions as follows:

(1) For the initial crop year:

- (i) At least the most recent four APH crop years of production records of the harvested mature commodity;
- (ii) The total seed purchased by seed size and seed source, including the name of the private or commercial shellfish nursery or hatchery, for years corresponding to the production records of the harvested mature commodity based on the applicable growing interval. For example, if the most recent four years of harvested production records are provided for 2022-2025, you must report your seed information for at least the:
  - (A) 2021-2024 years for Growing Interval I;
  - (B) 2020-2023 years for Growing Interval II; and
  - (C) 2019-2022 years for Growing Interval III.
- (iii) The number and size of seed placed in containers, supported by seed purchase receipts, which include the name of the private or commercial shellfish nursery or hatchery, and, if applicable, producer nursery system records, as specified in the Special Provisions, for expected harvest in the current crop year;
- (iv) Total dollar sales; and
- (v) Total sold production of the mature commodity.

(2) For subsequent crop years, you must provide the information contained in section 3(d)(1)(i), if available, and 3(d)(1)(ii)-(v) for the most recent APH crop year. Failure to provide the required information will result in the imposition of an assigned yield.

(3) You may report a maximum of your most recent ten consecutive APH crop years of production and seed records.

(4) If a new growing location is added in a county where the commodity is insurable and you do not meet the minimum record requirements, a production report from an adjacent county can be used to establish the APH database.

(e) In addition to section 3 of the Basic Provisions, you must report, by the production reporting date designated in the Special Provisions, any change in cultural practices, growing intervals, or growing locations that could reduce the potential yield below the approved yield upon which the insurance guarantee is based. We will reduce the approved yield as necessary:

- (1) Based on our estimate of the effect of the changes and the information provided on the pre-acceptance worksheet.
  - (2) If you fail to notify us of any of the changes, at any time that we become aware of the changes in accordance with FCIC approved procedures.
- (f) Your approved yield will be determined in accordance with section 3 and section 5 of the Basic Provisions and these Commodity Provisions.

#### **4. Contract Changes**

In accordance with section 4 of the Basic Provisions, the contract change date is August 31 preceding the cancellation date.

#### **5. Cancellation and Termination Dates**

In accordance with section 2 of the Basic Provisions, the cancellation date is November 30 and the termination date is December 31.

#### **6. Report of Commodity**

- (a) You must submit a pre-acceptance worksheet, and other required documents in accordance with FCIC approved procedures for the current crop year, by the sales closing date.
- (b) You must submit a revised pre-acceptance worksheet by the commodity reporting date if:
  - (1) You placed additional seeds in containers for expected harvest in the current crop year (as determined by the applicable growing interval). The pre-acceptance worksheet must be accompanied by seed purchase receipts and, if applicable, producer nursery system records; or
  - (2) You acquired additional leases for expected harvest in the current crop year.
- (c) In addition to section 6 of the Basic Provisions, your commodity report must be submitted by the commodity reporting date and must include for the basic unit and applicable growing interval:
  - (1) All growing locations of the insured commodity in the county including, for each location, all applicable:
    - (i) Lease identification numbers (or other applicable identification numbers); and
    - (ii) Global Positioning System (GPS) coordinates.
  - (2) The number and size of seed placed in containers for the current crop year (as determined by the applicable growing interval), supported by seed purchase receipts, which include the name of the private or commercial shellfish nursery or hatchery.

#### **7. Insured Commodity**

- (a) In accordance with section 8 of the Basic Provisions, the commodity insured in the county will be all of each commodity you elect to insure for which a premium rate is provided by the actuarial documents:
  - (1) In which you have a share;
  - (2) That is listed on your application submitted by you and which is accepted by us;
  - (3) That is a type designated in the Special Provisions;
  - (4) That is grown in containers;
  - (5) That meets the minimum seed size contained in the Special Provisions and is supported by your seed purchase receipts and, if applicable,

producer nursery system records;

- (6) That is purchased from a private or commercial shellfish nursery or hatchery;
  - (7) That is grown by a person who has grown the commodity or participated in managing an operation of the same commodity for at least four crop years in the county in which the commodity will be insured, or an adjacent county, unless otherwise specified in the Special Provisions;
  - (8) That is produced using generally acceptable production methods for the commodity; and
  - (9) That is produced in an operation that, if inspected by us, is considered acceptable to us.
- (b) Shellfish grown in nurseries, hatcheries, and producer nursery systems during the crop year are not insurable.

#### **8. Insurance Period**

- (a) In accordance with the provisions of section 11 of the Basic Provisions:
  - (1) For the year of application, coverage begins on January 1, unless we inspect the applicable growing locations before insurance attaches in accordance with section 7(a)(9) and determine a growing location(s) does not meet insurability requirements. You must provide any information that we require for the commodity to determine the condition of your operation.
  - (2) For each subsequent crop year, coverage begins on January 1 following the December 31 calendar date for the end of the insurance period for the prior crop year.
- (b) Coverage ends on the basic unit or part of the unit at the earliest of:
  - (1) Total destruction of the insured commodity;
  - (2) Final adjustment of a loss on the unit;
  - (3) Abandonment of the insured commodity;
  - (4) Harvest of the insured commodity; or
  - (5) The December 31 calendar date for the end of the insurance period.
- (c) For purposes of section 8(b), coverage ends on any portion of the commodity within a unit once any event specified in section 8(b) occurs for the commodity. Coverage only remains in effect on any portion of the commodity within the basic unit that has not been affected by a specified event.

#### **9. Causes of Loss**

- (a) In accordance with the provisions of section 12 of the Basic Provisions, insurance is provided only against the following causes of loss that occur within the insurance period in counties where a county loss trigger is determined:
  - (1) Qualifying storms;
  - (2) Excessive heat during a low tide event;
  - (3) Freeze during a low tide event; or
  - (4) Low salinity caused by excessive rainfall.
- (b) In addition to the causes of loss excluded in section 12 of the Basic Provisions, we will not insure against damage or loss of production due to your inability to harvest the commodity for any reason other than actual physical damage from an insurable cause specified in this section. For example, we will not pay you an indemnity if you are unable to harvest due to quarantine, closure, or refusal of any person to accept production.

#### **10. Duties in the Event of Damage or Loss**

- (a) Your duties:
- (1) In accordance with section 14 of the Basic Provisions, in case of damage or loss of production for the insured commodity:
    - (i) You must:
      - (A) Protect the commodity from further damage by providing sufficient care; and
      - (B) Establish that damage to the insured commodity occurred during the insurance period.
    - (ii) All notices required in this section must be received by us within 72 hours of your initial discovery of damage or loss (but not later than 15 days after the end of the insurance period). Such notices must be given without regard to the insured county meeting the county loss trigger.
    - (iii) You must submit a claim in accordance with the applicable provisions of section 14(e) of the Basic Provisions.
  - (2) In addition to the provisions of section 14 of the Basic Provisions, you must give us written notice within 72 hours:
    - (i) If you do not intend to harvest all mature production of the commodity for any growing location but not later than the end of the insurance period; and
    - (ii) If you are notified that any of your commodity will be quarantined, subject to closure, or destroyed by order of any governmental authority.
  - (3) All notices under section 10(a) may be made electronically (including by telephone) or in person to your crop insurance agent but must be confirmed in writing within 15 days after such notice.
  - (4) If you fail to comply with the notice requirements in section 10(a), any loss will be determined in accordance with section 11(e)(1)(i)(E), unless we determine we have the ability to accurately adjust the loss.

(b) Our duties:  
We will pay any indemnity you are eligible to receive for your loss under these Commodity Provisions within 30 days after the later of the date:

- (1) FCIC releases the list of counties identified as meeting the county loss trigger and your insured county is contained on the list;
- (2) We determine your production to count for the unit under these Commodity Provisions for the insured crop; or
- (3) Any applicable determinations are made under section 14(f) of the Basic Provisions.

## 11. Settlement of Claim

- (a) An indemnity will be payable under these Commodity Provisions when:
- (1) A county meets the county loss trigger determined in accordance with the SDP; and
  - (2) There is an insurable loss of production.
- (b) Indemnities are calculated following FCIC's release of a county loss trigger in your county.
- (c) Additional counties may be identified and published in the actuarial documents for the applicable crop year after the release of updated data as provided in

the SDP. Once counties are listed by FCIC, they will not be removed even if later data indicates they did not meet the county loss trigger.

- (d) In the event of loss or damage covered by this policy, we will settle your claim on a unit basis by:
- (1) Multiplying the production guarantee for the insured commodity for the unit by your applicable price election;
  - (2) Multiplying the production to count for the insured commodity for the unit by your applicable price election;
  - (3) Subtracting the result of section 11(d)(2) from the result of section 11(d)(1); and
  - (4) Multiplying the result of section 11(d)(3) by your share.

Example:

You have a 100 percent share in a basic unit of oysters reported on your commodity report with a coverage level of 75 percent. Your production guarantee is 75,000 oysters (100,000 oyster approved yield × 75 percent coverage level). You elected 100 percent of the price. The price election used to establish the value of your production guarantee is \$0.60 per oyster. The value of your production guarantee is \$45,000 (75,000 oysters × \$0.60). The county loss trigger occurred. An insured cause of loss reduced your production to count for the unit to 32,200 oysters.

- (1) 75,000 oyster production guarantee × \$0.60 price election = \$45,000 value of production guarantee.
  - (2) 32,200 oysters × \$0.60 per oyster = \$19,320 value of production to count.
  - (3) \$45,000 - \$19,320 = \$25,680.
  - (4) \$25,680 × 1.000 share = \$25,680 indemnity.
- (e) The total production to count from all of the insurable commodity in the unit or part of a unit will include:
- (1) All appraised production as follows:
    - (i) Not less than your production guarantee for the unit or part of a unit:
      - (A) That is abandoned;
      - (B) Put to another use without our consent;
      - (C) Damaged solely by uninsured causes;
      - (D) For which you fail to provide records of production that are acceptable to us; or
      - (E) For which you fail to give us notice required in accordance with section 10(a);
    - (ii) Production lost due to uninsured causes;
    - (iii) Potential production of the commodity that we give consent to abandon or no longer care for if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for the unit will end. If you do not agree with our appraisal, we may defer the claim only if you agree to continue to care for the insured commodity. We will then make another appraisal when you notify us of further damage or that harvest is general in the area unless you harvested the insured commodity, in which case we will use the harvested production. If you do not continue to care for the insured crop, our appraisal made prior to deferring the claim will be

- used to determine the production to count;  
and
- (iv) Potential mature production that is not  
harvested by the end of the insurance  
period; and
- (2) All harvested mature production from the insured  
unit.

## **12. Excluded Coverages**

The following sections contained in the Basic Provisions  
do not apply under these Commodity Provisions:

- (a) Section 9. Insurable Acreage;
- (b) Section 13. Replanting Payment;
- (c) Section 15. Production Included in Determining an  
Indemnity and Payment Reductions [except section  
15(a) and (b) of the Basic Provisions];
- (d) Section 16. Late Planting;
- (e) Section 17. Prevented Planting;
- (f) Section 18. Written Agreements;
- (g) Section 34. Units;
- (h) Section 36. Yield Options;
- (i) Section 37. Organic Farming Practices; and
- (j) Section 38. Direct Marketing and Verifiable Records.