



United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation

FCIC-24420-1 (04-2026)

# **CONTROLLED ENVIRONMENT PILOT INSURANCE STANDARDS HANDBOOK**

## **2027 and Succeeding Crop Years**

**UNITED STATES DEPARTMENT OF AGRICULTURE  
FARM PRODUCTION AND CONSERVATION  
RISK MANAGEMENT AGENCY**

<b>TITLE:</b> Controlled Environment Pilot Crop Insurance Standards Handbook	<b>NUMBER:</b> FCIC-24420-1 <b>OPI:</b> Product Administration & Standards Division
<b>EFFECTIVE DATE:</b> 2027 and Succeeding Crop Years	<b>ISSUE DATE:</b> April 30, 2026
<b>SUBJECT:</b>  Provides underwriting procedures and instructions for administering the Controlled Environment pilot crop insurance program.	<b>APPROVED:</b>  <i>/s/ John W. Underwood for</i>  Deputy Administrator for Product Management

**REASON FOR ISSUANCE**

The Controlled Environment Pilot Crop Insurance Standards Handbook is being issued and effective for the Controlled Environment Pilot Crop Insurance Program available beginning with the 2027 crop year. This handbook is effective upon approval and until obsoleted.

**SUMMARY OF CHANGES**

Listed below are the changes to the 2027 FCIC-24420 Controlled Environment Pilot Crop Insurance Standards Handbook with significant content change. All changes and additions are highlighted. Minor changes and corrections are not included in this listing. \*\*\* used throughout the handbook indicate where major deletions occurred.

Reference	Description of Change	Directive
Para 1D	Updated language to include acronyms.	24420-1
Para 12	Corrected NVR references to CEVR.	24420-1
<a href="#">Para. 4</a>	Moved Paragraph 4 to Paragraph 12.	24420
<a href="#">Para. 13</a>	Added a new Para 13 addressing TOC procedures. Renumbered remaining paragraphs in Part 2.	24420
<a href="#">Para 16F</a>	Added language to accommodate changes to AMS Hemp regulations.	24420
<a href="#">Exhibit 1</a>	Added acronym for THC.	24420
<a href="#">Exhibit 2</a>	Added definitions for Contamination and Crop Year.	24420
<a href="#">Exhibit 4</a>	Renamed Completion Instructions.	24420
<a href="#">Exhibit 7</a>	Added date received and reviewer contact information lines.	24420
Throughout	Replaced phrase regulated plant disease with plant disease.	24420

**CONTROLLED ENVIRONMENT PILOT CROP INSURANCE STANDARDS HANDBOOK**

**TABLE OF CONTENTS**

**PART 1: GENERAL INFORMATION AND RESPONSIBILITIES .....1**

1 General Information..... 1

2 Duration .....2

3 Important Dates .....2

4-10 (Reserved) .....6

**PART 2: CONTROLLED ENVIRONMENT PILOT CROP PROVISIONS.....7**

11 Availability.....7

12 Application and Policy Change .....8

13 Transfer of Coverage and Right to Indemnity.....9

14 Coverages.....10

15 Basis of Coverage .....11

16 Insurable Plants.....15

17 Cause of Loss Limitations and Requirements .....27

18 Conditions of Acceptance.....28

19 Unit Division .....31

20 Amount of Insurance and Premium .....32

21 CEVR.....32

22 Written Agreements.....35

23 Amount of Insurance and Limit of Indemnities .....35

24-30 (Reserved) .....35

**EXHIBITS .....36**

Exhibit 1 Acronyms and Abbreviations.....36

Exhibit 2 Definitions .....37

Exhibit 3 Reserved.....39

Exhibit 4 Completion Instructions - Controlled Environment Value Report .....40

Exhibit 5 Monthly Unit Value Plan .....46

Exhibit 6 CE Underwriting Inspection Report .....49

Exhibit 7 Controlled Environment Catalog Checklist .....55

## PART 1: GENERAL INFORMATION AND RESPONSIBILITIES

### 1 General Information

---

#### A. Purpose and Objective

To provide instructions for underwriting CE crops under the CP and to assure uniform acceptance of risks associated with CE operations.

AIPs may develop forms that meet their internal systems and administrative needs. The forms must meet FCIC's approved standards contained in this handbook or as specified in FCIC-24040, the Document and Supplemental Standards Handbook, and provide all required information. Standards and examples contained in this handbook do not contain required statements. Refer to the FCIC-24040 to determine the applicable statements to be included on each form.

#### B. Source of Authority

The FCIC Board of Directors approved the CE Pilot Crop Insurance Program on May 18, 2023, under the authority of Section 523 of the Federal Crop Insurance Act.

#### C. Title VI of the Civil Rights Act of 1964

The USDA prohibits discrimination against its customers. Title VI of the Civil Rights Act of 1964 provides that "No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." Therefore, programs and activities that receive Federal financial assistance must operate in a non-discriminatory manner. Also, a recipient of RMA funding may not retaliate against any person because they opposed an unlawful practice or policy, or made charges, testified, or participated in a complaint under Title VI.

It is the AIPs' responsibility to ensure that standards, procedures, methods, and instructions, as authorized by FCIC in the sale and service of crop insurance contracts, are implemented in a manner compliant with Title VI. Information regarding Title VI of the Civil Rights Act of 1964 and the program discrimination complaint process is available on the USDA public website at [www.ascr.usda.gov](http://www.ascr.usda.gov). For more information on the RMA Non-Discrimination Statement, see the DSSH.

## 1 General Information (Continued)

---

### D. Related Handbooks

The following table identifies handbooks that shall be used in conjunction with this handbook.

Handbook	Relation/Purpose
CIH	This handbook provides the official FCIC-approved underwriting standards for policies administered by AIPs for the General Administrative Regulations, CCIP-BP, and ARPI-BP.
DSSH	This handbook provides the official FCIC-approved form standards for use in the sale and service of any eligible Federal crop insurance policy; required statements and disclosures; and the standards for submission and review of non-reinsured supplemental policies in accordance with the SRA.
GSH	This handbook provides the official FCIC-approved standards for policies administered by AIPs under the General Administrative Regulations, CCIP-BP, including the Catastrophic Risk Protection Endorsement; the ARPI-BP; the STAX; RI; and WFRP.
LAM	This handbook provides the official FCIC-approved general loss adjustment standards for all levels of insurance provided under FCIC unless a publication specifies that none or only specified parts of this handbook apply.
CE LASH	This handbook provides instructions for loss adjustment of CE crops under the CE CP and to assure uniform application of loss adjustment procedures.

## 2 Duration

---

Effective Date: Upon Approval. This handbook remains in effect until amended, superseded, or cancelled.

## 3 Important Dates

---

### A. Contract Change

This program has two CCDs:

- (1) January 31 preceding the crop year for all counties with a May 31 cancellation date; and
- (2) April 30 preceding the crop year for all counties with a September 30 cancellation date.

**B. Sales Closing Date**

The program has two SCDs

- (1) Alabama, Delaware, Florida, Georgia, Louisiana, Maine, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Texas, Virginia, and West Virginia: May 1 preceding the crop year (crop year begins June 1 and ends May 31).
- (2) California, Colorado, Hawaii, Iowa, Kentucky, Michigan, Minnesota, Ohio, Oklahoma, Oregon, Tennessee, Utah, Washington, and Wisconsin: September 1 preceding the crop year (crop year begins October 1 and ends September 30).

**Note:** New policy applications may be filed after the SCD. All applications, including those for new or amended coverage, are subject to a 30-day waiting period before commencement of coverage as specified in Section 9 of the CP. Carryover insureds may request changes to the coverage percentage and SV for a basic unit on or before the SCD.

**C. Controlled Environment Value Report Monthly Unit Value and Catalog Submission Deadlines**

- (1) New insureds: With the application.
- (2) Carryover insureds: On or before the SCD.

**Note:** If an acceptable CEVR is not provided by the SCD for any crop year, insurance will not attach until the 31st day (30-day waiting period) after all acceptable documents are received by the AIP.

**D. Insurance Attachment**

- (1) New insureds: The later of the 31st day (30-day waiting period) after the application and all required documentation are received by the AIP, June 1 or October 1, as applicable, for the 2025 and subsequent crop years.
- (2) Carryover insureds: The later of the 31st day after an acceptable CEVR and catalog are received by the AIP or June 1 or October 1, as applicable, after the SCD. If the insured fails to submit a new CEVR on or before the SCD, insurance will not attach for the crop year.

**D. Insurance Attachment (Continued)**

The 30-day waiting period begins the date after the required documentation is received or the date insurance attaches. For example, an application and all required documentation are received on May 10. Insurance would not attach until the 31st day after the required documentation is received; therefore, insurance does not attach until June 10. However, premium will be owed for the entire month of June. The AIP may reject the application or documentation if it is determined that the information provided is incomplete or incorrect.

For each subsequent crop year, provided the insured has submitted all documentation required by Section 6(b) of the CP by the SCD, coverage will begin at the same coverage percentage and SV on June 1 or October 1, as applicable.

- (3) If the insured submits a new CEVR by the applicable SCD, but the AIP notifies the insured the new CEVR is unacceptable, the insured must provide an acceptable CEVR within 30 days after the date of notice of rejection of an unacceptable CEVR has been sent for insurance to begin another waiting period before insurance can attach for the crop year.
- (4) If an acceptable CEVR is not submitted within the 30 days after the date of notice of rejection, insurance will not attach for the crop year.
- (5) If an acceptable CEVR is received within 30 days after rejection, insurance will attach on the 31st day after all documents required for an acceptable CEVR have been received by the crop insurance agent. The crop insurance agent is encouraged to transmit the documents to the AIP within five business days or a timeframe established by the AIP.

**E. Premium Billing**

- (1) The premium billing date is as follows:
  - (a) March 1 for counties in Alabama, Delaware, Florida, Georgia, Louisiana, Maine, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Texas, Virginia, and West Virginia; and
  - (b) July 15 for counties in California, Colorado, Hawaii, Iowa, Kentucky, Michigan, Minnesota, Ohio, Oklahoma, Oregon, Tennessee, Utah, Washington, and Wisconsin.
- (2) The insured is responsible for premium based on:
  - (a) The initial CEVR prorated from the month coverage begins as described in Section 6(d) of the CP if insurance attaches after the start date of the crop year.
  - (b) Any additional premium due to a revised CEVR will be prorated from the month the revised coverage begins as described in Section 6(d) of the CP to the end of crop year.

### 3. Important Dates (Continued)

---

#### E. Premium Billing (Continued)

- (3) For additional levels of coverage, the insured must pay an administrative fee for each insured plant category within each insured plant production practice.
- (4) For CAT coverage, the insured must pay an administrative fee for each insured plant production practice.

#### F. Cancellation and Termination

The cancellation and termination dates are as follows:

- (1) May 31 for counties in Alabama, Delaware, Florida, Louisiana, Georgia, Maine, Maryland, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, South Carolina, Texas, Virginia, and West Virginia; and
- (2) September 30 for counties in California, Colorado, Hawaii, Iowa, Kentucky, Michigan, Minnesota, Ohio, Oklahoma, Oregon, Tennessee, Utah, Washington, and Wisconsin.

**Note:** To be effective for the crop year, insureds must request to transfer the policy to a different AIP on or before the cancellation date, in accordance with procedures contained in the FCIC-18010 CIH. Any policy transferred after the SCD and prior to the cancellation date must have the same coverage percentage, plant categories, etc., that were effective on the SCD.

#### G. End of Insurance Period

Insurance ends on the basic unit, or portion thereof, at the earliest of:

- (1) the date of final adjustment of a loss when the total of all indemnities equals the amount of insurance;
- (2) harvest. Specific plants (see definition for “specific plants”) that are grown for the production of edible fruits, nuts, buds, flowers, greenery, or any portion of the plant are not considered harvested until the last month the plant no longer produces these products or the plant is removed from the growing medium to end production;
- (3) removal of specific plants from the CE;
- (4) failure of the structure or its equipment such that the CE cannot be maintained;

### 3 Important Dates (Continued)

---

#### G. End of Insurance Period (Continued)

- (5) for counties with a May 1 SCD, midnight local time May 31 of the following calendar year. For counties with a September 1 SCD, midnight local time September 30 of the following calendar year;
- (6) abandonment or destruction of the crop; or
- (7) for specific plants, when determined to be dead/ZMV plants.

#### H. Dates

	Counties with May 1 SCD	Counties with September 1 SCD
Sales Closing Date	5/1/202y	9/1/202y
Cancellation Date	5/31/202y	9/30/202y
Premium Billing Date	3/1/202y+1	7/15/202y+1
End Of Insurance Date	5/31/202y+1	9/30/202y+1
Termination Date	5/31/202y+1	9/30/202y+1
Contract Change Date	1/31/202y+1	4/30/202y+1

\*\*\*

4-10 (Reserved)

---

## PART 2: CONTROLLED ENVIRONMENT PILOT CROP PROVISIONS

### 11 Availability

---

The CE pilot program is only available to insureds in specified counties in the States shown in the actuarial documents.

- (1) Crop insurance protection is available to all persons who operate a wholesale CE operation that produces and markets CE specific plants grown using a plant production practice identified in the SP.
- (2) The CE must operate in accordance with the BP, SP, CAT Endorsement, and CE Pilot CP.
  - (a) A wholesale CE is a business enterprise that grows and markets specific plants to retailers that resell these to the end user, except for end-users such as landscape contractors, government entities or organizations, restaurants, grocers, and commercial fruit and vegetable producers. To qualify as a CE operation under the CP, at least 40 percent of the gross income of the CE operation must be derived from sales of specific plants at wholesale prices. Whether a CE operation holds a wholesale license is not a determining factor in establishing if it qualifies as a wholesale CE operation under the CP.
  - (b) The percentage of specific plants sold at wholesale prices is determined by dividing the dollar amount of wholesale plant sales by the total dollar amount of combined retail and wholesale specific plant sales. Income from other operations including landscaping, chemical sales, other nursery-related products, production of other crops or livestock or any other business enterprise not related to the CE operation are not to be included in this calculation.
  - (c) The CE operation's growing locations and fully enclosed structures can vary. Structures provide protection and maintain optimal growing conditions throughout the development of the plants. It is acceptable for these structures to have windows or panels used for ventilation, and access points for plants to enter and exit the facility. In all cases, the insured must follow good production practices.
    - (i) Structures must be fully enclosed at all times when any specific plants are contained therein. Plants in a structure for which any vertical surface is not enclosed are not insurable under the CE program. Plants grown in a structure with vertical surfaces that can be opened (for example, roll-up sides, does not include doors needed to enter or exit the structure) are not insurable. For example, hoop houses and high tunnels have open ends and plants grown in those structures are not insurable.
    - (ii) Structures may have constructed floors (concrete, stone, bricks, sand, or other artificial material) or bare soil. Plants may be in containers on a constructed or bare floor or may be planted in the bare soil. Both are insurable under CE. However, structures with constructed floors or bare soil surrounded only by protective screens (e.g., CUPS) are not insurable.

## 11 Availability (Continued)

---

- (3) All applicants must be eligible for crop insurance benefits and not be listed on the Ineligible Tracking System. Any producer who is ineligible because of debt may subsequently become eligible by paying the debt or executing a written payment agreement (see Section 2 of the BP). Such producers may then apply for CE for the remainder of the crop year if the application is received more than 30 days before the end of the crop year. Refer to Section 2(f) of the BP and 7 CFR Part 400 Subpart U for provisions and regulations regarding insurance eligibility.
- (4) A CE operation may insure one or more insurable plant production practices (soil, hydroculture, and all other growing media (e.g., air grown plants)). A basic unit, unless it is further divided into basic units by plant category in accordance with Section 2 of the CP, is all insurable specific plants within each plant production practice the insured elects to insure. For example, a CE operation may insure one plant production practice at CAT coverage and another plant production practice at additional coverage.
  - (a) For additional coverage:
    - (i) A basic unit will be divided into additional basic units for each plant category the insured chooses to insure within an insured plant production practice. Each basic unit established by plant category can have a different coverage percentage.
    - (ii) All plant categories within an insured plant production practice are not required to be insured. An administrative fee will be charged for each plant category insured.
  - (b) For CAT coverage, all plant categories within a plant production practice must be insured. An administrative fee will be charged for each insured plant production practice.

## 12 Application and Policy Change

---

An application or policy change form (issued by the AIP) is required for:

- (1) adding a location.
- (2) changing the elected coverage percentage or SV.

The insurance application/policy change form and the CEVR are separate forms and will be treated as such in contract administration. The CEVR is not an application and cannot be used to apply for coverage. Its purpose is substantially the same as an acreage report.

**A. TOCs Executed Before SCD or After Start of CY**

TOCs executed before a SCD (May 1 or September 1, as applicable) or after the start of a CY (June 1 or October 1, as applicable) must follow the procedures in GSH Para. 853 for all aspects of TOCs.

**B. TOCs Executed After SCD But Before the Start of CY**

TOCs executed between May 1 and May 31, in counties with a May 1 SCD, or September 1 and September 30, in counties with a September 1 SCD, must use the procedures below instead of GSH Para. 853.

**(1) Effective Date**

The Transfer of Coverage and Right to an Indemnity is effective upon approval in writing by an authorized representative of the AIP. If the Transfer of Coverage and Right to an Indemnity is not approved in writing by the AIP, the transfer is not effective, and the proposed transferee does not obtain rights under the policy. An Assignment of Indemnity executed before the date of the Transfer of Coverage and Right to an Indemnity remains effective after such Transfer of Coverage and Right to an Indemnity.

**(2) Share**

An insured may transfer their coverage rights to an eligible transferee on or before insurance attachment during the waiting period, you may transfer your coverage rights effective when insurance would have attached on June 1 or October 1, as applicable, if transferor has submitted the required documentation in accordance with 13B(4).

**(3) Timing of TOC**

The Transfer of Coverage and Right to an Indemnity is effective upon approval in writing by an authorized representative of the AIP.

**(4) Documentation**

For a TOC to be executed during this timeframe, the required CEVR must have been submitted on or before the applicable SCD by the transferor.

**(a) Two completed TOCs may be needed.**

**(i)** The first TOC will apply to the current CY and is only effective for the share in the insured crop actually held by the insured at the time the insured's interest in the crop was transferred.

**(ii)** The second TOC will apply to the subsequent crop year and is effectively transferring the insured's coverage rights effective when insurance would have attached on June 1 or October 1, as applicable.

**A. TOCs Executed After SCD But Before the Start of CY (Continued)**

**Note:** The transferee may choose to complete only one TOC that will apply to the current crop year. The 30-day waiting period will apply to the subsequent crop year. The insured's current crop year TOC may overlap with the subsequent crop year waiting period if application is submitted at the same time as the TOC.

**(5) Liability**

An approved Transfer of Coverage and Right to an Indemnity grants all rights and responsibilities under the policy to the transferee consistent with the transferor's interest.

The transferee and the transferor (insured) will be jointly and severally liable for any unpaid premium, administrative fee, and/or other amounts due on the share transferred, even if the transfer is released by the transferee.

**Note:** Rights and responsibilities of the transferee includes the right to the same notifications that the insured would receive outlined in ITS Handbook Para. 301.

The AIP may consolidate all policies onto one form to ensure that the transferor and transferee are aware of the liability or premium for each respective policy for the acreage transferred.

For the second completed TOC that is effective for the subsequent crop year, for the purposes of determining liability that existed before the transfer occurred, we will use the liability determined on the date that insurance would have attached in accordance with Section 9 of the CP, as if the transfer of share had not occurred.

**(6) Expiration and Release**

The Transfer may be released by the transferee submitting a signed statement of release indicating the insured's name, mailing address, policy number, crop(s), and unit(s).

The Transfer expires at the end of the insurance period for the CY specified. For succeeding CYs, an Application must be made to insure the proper person for insurance to remain in effect unless the transferee has an existing policy.

If it is discovered during the loss inspection that there is a release that has not been submitted or processed, the loss adjuster must document on the Special Report and attach the report and the release to the claim form.

---

**14 Coverages**

(1) Changes to coverage elections are limited as follows:

## 14 Coverages (Continued)

---

- (a) For new policies: Coverage percentage changes may not be made after the date of the application.
  - (b) For carryover policies: Coverage percentage changes can be made only by filing a policy change form and a new CEVR on or before the SCD. The AIP has the right to reject a timely-requested coverage percentage change for the crop year if a loss occurs within 30 days of the date the request is made.
- (2) For CAT plant production practices: The amount of insurance is 50 percent of the SV multiplied by the price election percentage (55 percent), and by the insured's share. CAT level of coverage must be elected at the plant production practice level. If the insured elects the CAT level of coverage for a plant production practice, all plant categories under the plant production practice are insured at the CAT level of coverage.
  - (3) For additional coverage plant category: The amount of insurance for each basic unit equals the SV multiplied by the elected coverage percentage, by the price election percentage (100 percent), and by the insured's share. The coverage percentages a CE operation may choose are 50 to 85 percent, in 5 percent increments.
  - (4) For each subsequent crop year, unless changed by the insured's renewal application, coverage will begin at the same coverage percentage and SV on June 1 or October 1, as applicable. The insured must certify on the CEVR there has been no material change from the previous crop year.

## 15 Basis of Coverage

---

### A. Catalogs

New insureds must submit two printed copies or one electronic copy of the most recent catalog(s) to the AIP with their application. If the new insured fails to provide an CEVR or an acceptable catalog (i.e., does not meet the criteria in (2) below) with the application for any crop year, insurance will not attach until the 31st day after all such acceptable documents have been received by the AIP.

Carryover insureds must submit two printed copies or one electronic copy of the most recent catalog(s) to the AIP with the CEVR. If the carryover insured fails to provide an acceptable catalog (i.e., does not meet the criteria in (2) below) insurance will not attach until the 31st day after all such acceptable documents have been received by the AIP.

The catalog must be in a format that meets the requirements of Section 6(k) of the CP. These requirements are shown below.

- (1) If the catalog is provided electronically, it must be in a format suitable for printing.
- (2) To be acceptable, a catalog must:

**A. Catalogs (Continued)**

- (a) be typewritten or printed and legible and must be the same catalog provided to customers. All discounts must also be provided regardless of whether they are provided to a single customer or multiple customers.
- (b) contain all the following information:
  - (i) Issue date (season and year or month and year) on the cover page (may be handwritten).
  - (ii) Name, address, and phone number of the CE operation.
  - (iii) Each plant's name (botanical or common), plant or container size, or a method to determine the quantity and wholesale price.
- (3) If the CE operation publishes more than one edition of its catalog offering different specific plants (e.g., a fall catalog and a spring catalog), two printed copies or one electronic copy of the most recent edition for each season must be submitted for each crop year at the time the initial CEVR is submitted. The catalog submitted with the original CEVR may be used for purposes of a revised CEVR, unless the CE operation submits a newer catalog.
- (4) If both a spring and fall catalog are submitted by an insured, the prices for specific plants will be selected from the appropriate catalog at time of loss.
- (5) If the insured has specific plants within an insured plant category in the CE operation that are not yet available for sale and are not included in the catalog, the insured must submit a supplement to the catalog containing these specific plants and the value of these plants must be reflected in the MUVF.
  - (a) At a minimum, the supplement must meet all the requirements stipulated in Para. 13A(1) and (2).
  - (b) The specific plants for which the revised catalog or supplement is submitted will not be insurable until the 31st day after the revised catalog or supplement is received by the crop insurance agent.
- (6) The AIP shall review the catalogs. The AIP shall reject those that do not meet the policy criteria and notify the insured or applicant in writing of the reason for rejection by providing a copy of a completed and signed CE Catalog Checklist (see [Exhibit 7](#)) explaining the deficiencies and reason for catalog rejection.
- (7) AIPs shall submit one copy of the acceptable catalog, along with a completed and signed CE Catalog Checklist (see [Exhibit 7](#)) to the RO. The preferred method of transmittal is through the ROE system (refer to Appendix III for guidance).

**A. Catalogs (Continued)**

- (a) The AIP must document the date they received the catalog.
- (b) The Checklist must contain the crop year, State, county, policy number, CE operation name on catalog (if different than the insured's name), agent's name, and servicing company and be submitted with the catalog.
- (c) The AIP's copy of the catalog will be maintained in the insured's official file.
- (d) If a pattern, practice, or trend of unacceptable catalogs submitted by the AIP is identified, the RO will notify the AIP and refer to the appropriate RMA Regional Compliance Office.
- (e) Catalogs submitted by more than one insured entity that appear to be substantially the same, except for the front cover, must be referred to the appropriate RMA Regional Compliance Office for investigation.

**B. Sales Records**

- (1) Verifiable sales records requirements must have:
  - (a) the name and address of the purchaser and the date of sale;
  - (b) the complete botanical or common name and quantity of the specific plant(s) sold and delivered; and
  - (c) the actual wholesale price excluding the following:
    - (i) discounts and shipping charges; and
    - (ii) any similar amounts that do not directly relate to the wholesale value of the specific plants purchased and received.
- (2) For a sales record to be used it must:
  - (a) represent contracted sales for delivery during the current crop year; or represent sales from 60 days, or 12 months, as applicable, prior to the loss occurrence;
  - (b) include the specific plant name(s) and wholesale price of sale;
  - (c) list any discount(s) applied; and
  - (d) represent a transaction with a disinterested third party.

**C. MUVP**

(1) Insureds must submit a copy of the MUVP for each basic unit.

**Exception:** in lieu of submitting a new MUVP for the subsequent crop year, the insured may certify on the CEVR that the previously submitted MUVP continues to represent the values for the next crop year.

(2) The MUVP:

(a) Contains the insured's assessments (based on knowledge of past sales, inventory records, prior sales prices, etc.) of the maximum expected values that will be in each insured plant category for additional levels of coverage, and all plant categories for CAT coverage, within each basic unit for each month of the crop year.

(b) Must be on the form and is made part of the CEVR.

(3) One approach for this valuation is set forth below, but it is not the only method. The insured identifies the anticipated specific plants within each plant category in a basic unit and:

(a) determines the anticipated total quantity of each of these specific plants expected to be in the CE operation or harvested during each month of the insured crop year;

(b) multiplies the appropriate approved sales value for each specific plant by the quantity of that specific plant determined in (a); and

(c) sums all the values from (b) for each month.

(4) A second approach for specific plants that are grown for the production of edible fruit, buds, flowers, greenery, or other portion of the plant this valuation is set forth below, as an example but it is not the only method. The insured identifies the anticipated specific plants, for example tomatoes, within each plant category in a basic unit and:

(a) determines the anticipated total production by weight of each of these specific plants expected to be in the operation or harvested during each month of the insured crop year (for crops by weight cartons or containers are converted to pounds if pounds are used for its sales);

(b) multiplies the appropriate approved sales value for the weight of the specific plants by the quantity of that specific plant determined in (a); and

(c) sums all the values from (b) for each month.

**Note:** Refer to [Exhibit 4](#) for an example of an MUVP.

**D. Biosecurity Self-Certification**

As a condition of insurability, producers shall annually review and complete a biosecurity self-certification. Refer to [Exhibit 2](#) for definition of biosecurity self-certification. This certification must be provided to the AIP.

- (1) No claims shall be indemnified if it is determined that good production practices indicated in the biosecurity self-certification were not fully and appropriately implemented.
- (2) An example of a biosecurity self-certification form is available in Exhibit 5.

**16 Insurable Plants**

---

**A. CE Plants**

Plants meeting the requirements of the CP and SP are insurable.

**B. Plant Categories**

The CP lists the plant categories insurable under CE. For convenience, these are listed below.

The list of genera names contained within each Plant Category serves as a guide to assign plants to a Plant Category. The Plant Category definitions in this handbook and SP help to determine the most appropriate Plant Category.

- (1) All Cut Flowers and Greenery:

Specific plants for which the stem is separated from the plant on which it was grown to be sold as flower, foliage, or other ornamental.

Genera Included: *Alstroemeria, Anemone, Antirrhinum, Anthurium, Argyranthemum, Aster, Calluna, Campanula, Cattleya, Celosia, Chamelaucium, Chrysanthemums, Cosmos, Cymbidium, Dahlia, Delphinium, Dendrobium, Dianthus, Freesia, Gerbera, Gladioli, Godetia, Gypsophila, Helianthus, Heliconia, Hydrangea, Ilex, Iris, Leptospermum, Liatris, Lily, Liliium, Limonium, Lisianthus, Matricaria, Narcissus, Phalaenopsis, Paeonia, Protea, Rosa, Solidago, Statice, Stephanotis, Thymelaeaceae, Trachelium, Tulipia, Zinnia, Zantedeschia, Zingiberaceae, Other cut flowers.*

- (2) Vegetable and Other Food Crops:

Specific plants grown for their fruit and/or vegetative parts for the purpose of human consumption. Included are vegetables that can be food or ornamental such as ornamental peppers.

**B. Plant Categories (Continued)**

(2) Vegetable and Other Food Crops: (Continued)

Genera Included: *Abelmoschus, Allium, Anethum, Apium, Asparagus, Bamboosa, Benincasa, Beta, Brassica, Capsicum, Coriandrum, Cucumis, Cucurbita, Daucas, Dioscorea, Ficus, Glycine, Ipomoea, Lactuca, Lamiaceae, Mentha, Momordica, Murraya, Nicotina, Ocimum, Pastinaca, Petroselinum, Phaseolus, Piper, Pisum, Raphanus, Ribes, Rosmarinus, Solanum, Syzygium, Thymus, Trichosanthes, Vigna, Zea, Zingiber.*

(3) Food and Flower Seed Plants:

Specific plants grown to be harvested for seed that is capable of normal germination.

Genera Included: See CE Plant Categories 1 and 2.

(4) Annual Bedding and Garden Plants:

Specific plants that complete their life cycle within one year including summer annuals and winter annuals. Included are herbaceous plants that are not annual plants, but are plants grown for one year or less, mainly for annual seasonal celebrations, annual seasonal gardens, annual seasonal special occasions and vegetable plants grown for consumption.

Genera Included: *Abelmoschus, Agalinis, Ageratum, Alcea, Alyssum, Amaranthus, Ammi, Anagallis, Anethum, Angelica, Anthriscus, Antirrhinum, Armoracia, Aster, Begonia, Beta, Bidens, Brachyscome, Brassica, Browallia, Calandrinia, Calendula, Cannabis\*, Capsicum, Carum, Celosia, Chamaecrista, Chrysanthemum, Chrysocephalum, Cleome, Cistanthe, Citrullus, Cleome, Cleous, Coriandrum, Cosmos, Cryptotaenia, Cucumis, Cucurbita, Dahlia, Daucus, Dianthus, Eruca, Eschscholzia, Eustoma, Exacum, Flaveria, Foeniculum, Gazania, Gomphrena, Hebenstretia, Heliotrope, Herniaria, Hunnemannia, Impatiens, Isatis, Lobularia, Luffa, Lunaria, Matricaria, Matthiola, Marigold, Moluccella, Murdannia, Nemesia, Nicotiana, Nierembergia, Ocimum, Oryza, Pansy, Pericallis, Perilla, Petroselinum, Petunia, Pimpinella, Salpiglossis, Salvia, Solanum, Stevia, Tagetes, Torenia, Valerianella, Verbascum, Viola, Vinca, Zea, Zinnia.*

\* *Cannabis sativa L* is the only insurable species under the genus *Cannabis*.

(5) Perennial Bedding and Garden Plants:

Specific plants (including vines) that have woody or non-woody stems and live for more than one year. In temperate zone winters, the above-ground growth of perennial plants (biennial plants are included) may die back to the ground. This includes any herbaceous and non-herbaceous perennial plants, grown for celebrations, gardens, and seasonal special occasions.

**B. Plant Categories (Continued)**

## (5) Perennial Bedding and Garden Plants: (Continued)

Genera Included: *Acaena, Acanthus, Achillea, Achlys, Acinos, Acmella, Acmispon, Aconitum, Acorus, Acrostichum, Actaea, Adenophora, Aegopodium, Aethionema, Agapanthus, Agapetes, Agastache, Ageratina, Agoseris, Agropyron, Agrostis, Ajuga, Alcea, Alchemilla, Alisma, Allium, Alonsoa, Alopecurus, Aloysia, Alstroemeria, Alpina, Alyssum, Alyxia, Amaryllis, Ambrosia, Ammophila, Amomum, Amorpha, Amorphophallus, Ampelaster, Ampelodesmos, Amphicarpum, Amsonia, Anacyclus, Anaphalis, Anchusa, Andreopogon, Androsace, Andryala, Anemanthele, Anemone, Anemonopsis, Anemopsis, Angelonia, Anigozanthos, Antennaria, Anthemis, Anthericum, Anthoxanthum, Anthyllis, Apium, Aquilegia, Arabis, Arachis, Arachniodes, Aralia, Araujia, Arctanthemum, Arctotis, Arenaria, Argentina, Argyranthemum, Arisaema, Arisarum, Aristeia, Aristida, Aristolochia, , Amoglossum, Armeria, Arnica, Arrhenatherum, Artemisia, Arthropodium, Arum, Aruncus, Arundo, Asarina, Asarum, Asclepias, Asparagus, Asperula, Asphodeline, Astelia, Aster, Asteriscus, Astilbe, Astilboides, Astragalus, Astantia, Arystasia, Aubrieta, Aureolaria, Aurinia, Azara, Azorella, Babiana, Bacopa, Baileyia, Ballota, Balsamorhiza, Baptisia, Bauera, Baumea, Beckmannia, Beesia, Bellis, Bellium, Bergenia, Bertandiera, Besseyia, Billardiera, Blephilia, Boehmeria, Boesenbergia, Bolax, Bolboschoenus, Boltonia, Bomarea, Baraga, Bothriochloa, Bouteloua, Bouvardia, Boykinia, Brachyglottis, Brachypodium, Brassica Brillantaisia, Briza, Bromus, Brunnera, Buchloe, Bulbinella, Buphthalmum, Burbidgea, Butomus, Caladium, Calamagrostis, Calamintha, Calamovilfa, Calceolaria, Calibrachoa, Callirhoe, Callisia, Calostemma, Caltha, Calylophus, Calystegia, Camassia, Campanula, Canistrum, Canna, Cardamine, Carduncellus, Carex, Carlina, Carpobrotus, Castilleja, Catananche, Catha, Catharanthus, Caulophyllum, Cautleya, Centaurea, Centaurium, Centella, Centradenia, Centranthus, Centratherum, Cephalaria, Cephalotus, Cerastium, Ceratostigma, Ceropegia, Chaenorhinum, Chamaebatiaria, Chamaemelum, Chasmanthe, Chasmanthium, Chelanthus, Chelone, Chenopodium, Chiastophyllum, Chimaphila, Chondropetalum, Christia, Chysactinia, Chrysanthemopsis, Chrysanthemum, Chrysogonum, Chrysobalanus, Chrysopsis, Chrysothemis, Cicuta, Cinna, Cirsium, Cladium, Claytonia, Cleretum, Clianthus, Clinopodium, Clintonia, Clivia, Coix, Colchicum, Coleostephus, Colocasia, Comanthosphace, Comptonia, Conoclinium, Consolida, Convallaria, Coptis, Coreopsis, Cornukaempferia, Coronilla, Corydalis, Corynephorus, Corynocarpus, Costus, Cotula, Crambe, Craspedia, Crinum, Crocosmia, Crossopetalum, Cryptanthus, Cryptogramma, Cuphea, Curuligo, Curcuma, Cyclamen, Cymbopogon, Cynara, Cypella, Cyperus, Crytanthus, Cystopteris, Dactylis, Dahlia, Dalea, Dampiera, Danthonia, Darlingtonia, Damera, Daubenya, Degenia, Delosperma, Delphinium, Dennstaedtia, Deparia, Deschampsia, Desmanthus, Desmodium, Dianella, Dianthus, Diarrhena, Diascia, Dicentra, Dichondra, Dichorisandra, Dicliptera, Dictamnus, Didelta, Dierama, Dietes, Digitalis, Dimerocostus, Dimorphotheca, Dionaea, Dioscorea, Dipogon, Diporum, Dischidia, Disporopsis, Dissotis, Distichlis, Doellingeria, Doronicum, Dorycnium, Doryopteris, Douglasia, Draba, Dracocephalum, Drimiopsis, Drosera, Duchesnea,*

**B. Plant Categories (Continued)**

## (5) Perennial Bedding and Garden Plants: (Continued)

*Dudleya, Dulichium, Dymondia, Dyschoriste, Echeandia, Echeveria, Echinacea, Echinops, Echinopsis, Echium, Edraianthus, Eichhornia, Eleocharis, Elettaria, Ellisioiophyllum, Elymus, Encelia, Epigaea, Epilobium, Epimedium, Equisetum, Eragrostis, Eremurus, Erigeron, Erinus, Eriophorum, Eriophyllum, Eritrichium, Emodea, Erodium, Eryngium, Erysimum, Erythronium, Etlingera, Eucomis, Eupatorium, Euphorbia, Eurybia, Euryops, Euthamia, Eutrema, Eutrochium, Evolvulus, Faidherbia, Fallopia, Farfugium, Felicia, Festuca, Filipendula, Fragaria, Francoa, Freesia, Fritillaria, Fumana, Gaillardia, Galanthus, Galax, Galega, Galium, Galtonia, Garberia, Gasteraloe, Gaura, Gazania, Gelsemium, Gentiana, Geogenanthus, Geranium, Gerbera, Geum, Gilia, Gillenia, Gladiolus, Glandularia, Glaucidium, Glechoma, Globba, Globularia, Gloriosa, Gloxinia, Glyceria, Goniolimon, Grindelia, Gunnera, Gypsophila, Habranthus, Hacquetia, Haemanthus, Hakonechloa, Harpochloa, Hedychium, Hedysarum, Helenium, Helianthemum, Helianthus, Helichrysum, Heliconia, Helictotrichon, Heliopsis, Heliotropium, Helleborus, Hemerocallis, Hepatica, Heracleum, Hermannia, Hesperantha, Hesperis, Heterocentron, Heterospathe, Heterotheca, Heuchera, Heucherella, Hibiscus, Hieracium, Hierochloa, Hippeastrum, Hippocrepis, Hirpicium, Hoffmannia, Holcus, Homalomena, Homeria, Hordeum, Horminum, Hosta, Houstonia, Houttuynia, Humulus, Hyacinthoides, Hyacinthus, Hydrastis, Hydrocotyle, Hydrophyllum, Hymenocallis, Hymenoxys, Hypericum, Hypoxis, Hypsela, Hyssopus, Hystrix, Iberis, Iliamna, Imperata, Incarvillea, Inula, Ipheion, Ipomopsis, Iris, Isolepis, Isotoma, Iva, Ixia, Jacobaea, Jamesbrittenia, Jeffersonia, Javellana, Jovibarba, Juanulloa, Juncus, Kadsura, Kaempferia, Kalimeris, Kennedia, Kirengeshoma, Kleinia, Knautia, Kniphofia, Koeleria, Kosteletzkya, Krigia, Kuhnia, Lablab, Laccospadix, Lamium, Lampranthus, Lamprocapnos, Lapageria, Lasiacis, Lathyrus, Ledebouria, Leersia, Leonotis, Leontopodium, Leonurus, Lepidium, Leptinella, Leptodactylon, Lespedeza, Lesquerella, Lessingia, Leucanthemopsis, Leucanthemum, Leucojum, Leucosceptum, Levisticum, Lewisia, Leymus, Liatris, Libertia, Licania, Ligularia, Lilium, Limonium, Linaria, Lindneria, Linnaea, Unum, Lippia, Liriope, Lithodora, Lithospermum, Lobelia, Lomandra, Lophospermum, Lotus, Ludwigia, Lupinus, Luzula, Lychnis, Lycium, Iberis, Lycium, Lycopodium, Lygeum, Lysichiton, Lysimachia, Lythrum, Machaeranthera, Macleaya, Macropidia, Maianthemum, Malephora, Malva, Manettia, Manfreda, Marrubium, Marshallia, Matteuccia, Maurandella, Mauranthemum, Mazus, Mecardonia, Meconopsis, Meehania, Melampodium, Melica, Melinis, Melissa, Mentha, Mentzelia, Merremia, Mertensia, Mesembryanthemum, Micromeria, Milius, Mimulus, Minuartia, Mirabilis, Miscanthus, Mitchellia, Mitella, Mitaria, Molinia, Monarda, Monardella, Monocostus, Montiopsis, Moraea, Marina, Mucuna, Muehlenbeckia, Muhlenbergia, Mukdenia, Mukgenia, Muscari, Musella, Myoporum, Myosotis, Myrrhis, Napaea, Narcissus, Nassella, Nasturtium, Nauplius, Nautilocalyx, Nelumbo, Nematanthus, Neomarica, Nepeta, Nerine, Nipponanthemum, Nototrichium, Nuphar, Nymphaea, Odontonema, Oenanthe, Oenothera, Oligoneuron, Olsynium, Omphalodes, Onoclea, Onopordum, Ophiopogon, Origanum, Ornithogalum,*

**B. Plant Categories (Continued)**

## (5) Perennial Bedding and Garden Plants: (Continued)

*Orostachys, Orthosiphon, Orthrosanbthus, Oryzopsis, Osbeckia, Osmorhiza, Osmunda, Osteospermum, Otacanthus, Oxalis, Oxera, Oxypolis, Oxytropis, Pachysandra, Packera, Paeonia, Panax, Panicum, Papaver, Paradisea, Pardancanda, Parnassia, Parochetus, Paronychia, Parthenium, Paspalum, Passiflora, Patrinia, Pedicularis, Pelargonium, Pellionia, Peltandra, Peltoboykinia, Pennisetum, Penstemon, Pentalinon, Pentas, Penthorum, Peristrophe, Perityle, Perovskia, Persicaria, Petasites, Petchoa, Petrocallis, Petrocoptis, Petrophytum, Petrorrhagia, Peucedanum, Phacelia, Phaedranassa, Phalaris, Phenimus, Phegorpteris, Phlomis, Phlox, Phormium, Phragmites, Physalis, Physostegia, Phyteuma, Pilosella, Pinellia, Pinguicula, Piper, Pistia, Pityopsis, Platycodon, Plecostachys, Poa, Podophyllum, Podonatherum, Pogostemon, Polermonium, Polianthes, Poliomintha, Polygala, Polygonatum, Polystichum, Pontederia, Porana, Portea, Portulaca, Pratia, Prenanthes, Primula, Pritzelago, Prosartes, Prunella, Pseudoroegneria, Psilostrophe, Pteridium, Pterocephalus, Ptilotus, Pulmonaria, Pulsatilla, Pycnanthemum, Quisqualis, Ranunculus, Raoulia, Ratibida, Rehmannia, Reineckia, Reseda, Rheum, Rhodanthemum, Rhodiala, Rhodochiton, Rhodocoma, Rhodohypoxis, Rhodophiala, Rhynchospora, Rivina, Rodgersia, Rohdea, Romneya, Roscoea, Rosularia, Rubia, Rudbeckia, Ruellia, Rumex, Rupicapnos, Saccharum, Sagina, Sagittaria, Salvia, Sanguinaria, Sanguisorba, Santolina, Sanvitalia, Saponaria, Sarcandra, Sarracenia, Saruma, Satureja, Saururus, Saxifraga, Scabiosa, Scadoxus, Schaefferia, Schaueria, Schizachyrium, Schizostylis, Schoenoplectus, Seilla, Scirpus, Scleranthus, Scrophularia, Scutellaria, Sedum, Selliera, Semiaquilegia, Sempervivum, Senecio, Seseli, Sesleria, Sesuvium, Setaria, Sida, Sidalcea, Silene, Silphium, Sinacalia, Sinofranchetia, Siphonochilus, Sisyrinchium, Sium, Smilacina, Solandra, Soldanella, Soleirolia, Solidago, Solidaster, Sorghastrum, Sparaxis, Sparganium, Spartium, Sphaeralcea, Sphagneticola, Spigelia, Spodiopogon, Sporobolus, Sprekelia, Stachys, Stachytarpheta, Stachyurus, Stahlianthus, Stemodia, Stenomesson, Stenotus, Stephanotis, Stipa, Stokesia, Streptocarpus, Streptopus, Stylium, Stylophorum, Succisa, Sutura, Swainsona, Symphyandra, Symphyotrichum, Symphytum, Symplocarpus, Symplocos, Synthyris, Talinum, Tanacetum, Tapeinochilus, Tecomanthe, Telekia, Tellima, Telosma, Tephrosia, Tetradenia, Tetraneuris, Teucrium, Thalia, Thalictrum, Thelypteris, Themeda, Thermopsis, Thlaspi, Thymophylla, Thymus, Thysanolaena, Tiarella, Tithonia, Tolmiea, Townsendia, Trachelium, Trachelospermum, Trachystemon, Tradescantia, Triadenum, Tricyrtis, Trifolium, Trillium, Trimezia, Tripogandra, Tripsacum, Triteleia, Tritonia, Trollius, Tropaeolum, Tulbaghia, Turnera, Tussilago, Tweedia, Typha, Uncinia, Uniola, Urechites, Urginea, Uvularia, Valeriana, Vallisneria, Vancouveria, Verbena, Verbesina, Vernonia, Veronica, Veronicastrum, Vetiveria, Vicia, Viguiera, Vinca, Viola, Vitaliana, Wachendorfia, Wahlenbergia,, Waldsteinia, Watsonia, Woodwardia, Xanthorrhoea, Xerochrysum, Xeronema, Xerophyllum, Xyris, Zantedeschia, Zephyranthes, Zingiber, Zizania, Zizia, Zoysia.*

**B. Plant Categories (Continued)**

## (6) Bulbs, Rhizomes, Corms, and Tubers:

True bulbs (daffodils, tulips, hyacinths, etc.) are structurally a short stem with fleshy leaves or leaf bases that function as food storage organs during dormancy. They produce stems from the base of the bulb and survive from year to year. Rhizomes (e.g., irises) are modified stems that grow along the soil surface. Growth buds form on a rhizome for next year's leaves and flowers. The original rhizome will not reflower and in time will need to be dug out. This includes stolons which are above ground. Corms (e.g., crocus, freesia, and gladiolus) are usually short squat stems filled with food storage tissue. Cormels (baby plants separated from Corms) are included. Tubers (e.g., dahlias and some begonias) are underground roots with fleshy, food-storing parts.

Genera for Bulbs Included: *Allium, Babiana, Colchicum, Crocosmia, Crocus, Dichelostemma, Freesia, Fritillaria, Galtonia, Hyacinthus, Hyacinthoides, Hyacinthoides, Hyacinthus, Ipheion, Iris, Leucojum, Lilium, Muscari, Narcissus, Tulipa.*

Genera for Rhizomes Included: *Abutilon, Curcuma, Phyllostachys, Zingiber.*

Genera for Corms Included: *Amorphophallus, Colocasia, Gladiolus, Iridaceae.*

Genera for Tubers Included: *Amorphophallus, Apios americana, Asteraceae, Begonia, Helianthus, Solanum.*

## (7) Foliage and Tropical Plants:

Foliage Plants are perennial woody or herbaceous plants with various growth habits grown for their attractive foliar attributes and primarily for use as indoor plants. Tropical plants are native to the tropical regions of world. These plants may be grown in non-tropical regions in controlled environments and intended for households or buildings where the climate is controlled.

Genera for Foliage Plants Included: *Acineta, Adaglossom, Adiantum, Aechmea, Aeonium, Aerangis, Aeschynanthus, Aglaonema, Albuca, Alexanderara, Aliceara, Alocasia, Altermanthera, Amesiella, Ananas, Androlepis, Anemia, Angiopteris, Angraecum, Anhurium, Aphelandra, Arachnis, Araecoccus, Aranda, Arundina, Ascocenda, Ascocentrum, Asparagus, Aspasia, Aspidistra, Asplenium, Astrolepis, Astrophytum, Athyrium, Austrocylindropuntia, Bakerara, Barkeria, Beallara, Beaucarnea, Begonia, Bifrenaria, Billbergia, Blechnum, Bletilla, Bollopetalum, Brassia, Brassidium, Brassoepidendrum, Brassolaeliocattleya, Bulbophyllum, Burrageara, Calanthe, Calamus, Carludovica, Catteya, Caularthron, Cereus, Chlorophytum, Cirrhopetalum, Cischweinfia, Cissus, Codiaeum, Codonopsis, Coelogyne, Colmanara, Columnea, Congea, Cordyline, Coryanthes, Cotyledon, Crassula, Cremnosedum, Crossandra, Cryptocentrum, Ctenanthe, Cyathea, Cycnoches, Cyndropuntia, Cymbidiella, Cyripedium, Cyrtomium, Davallia, Degarmoara, Dendrobium, Dendrochilum, Diaphananthe, Didymochlaena,*

**B. Plant Categories (Continued)**

## (7) Foliage and Tropical Plants: (Continued)

*Dieffenbachia, Diplazium, Disocactus, Doodia, Doritis, Dracaena, Dryopteris, Dyckia, Echinocactus, Echinocereus, Eleutherococcus, Encyclia, Epidendrum, Epigeneium, Epilaeliocattleya, Epiphyllum, Epipremnum, Episcia, Epithelantha, Eria, Eucharis, Ferocactus, Fittonia, Gibasis, Gongora, Goniophlebium, Goodyera, Grammatophyllum, Graptopetalum, Graptophyllum, Graptosedum, Graptoveria, Guzmania, Gymnocalycium, Gynura, Habenaria, Haworthia, Hemigraphis, Hemionitis, Hohenbergia, Houletia, Howeara, Hoya, Humata, Hylocereus, Hypoestes, Iresine, Kalanchoe, Koellensteinia, Laelia, Laeliocattleya, Leea, Liparis, Lophocereus, Ludisia, Lygodium, Maclellanara, Macodes, Mammillaria, Maranta, Maxillaria, Medinilla, Microgramma, Microlepia, Microsorium, Miltassia, Miltonia, Miltonidium, Miltoniopsis, Makara, Monstera, Mormodes, Myriopteris, Neobenthamia, Neobuxbaumia, Neoregelia, Nepenthes, Nephrolepis, Odontioda, Odontobrassia, Odontocidium, Odontoglossum, Odontonia, Oeoniella, Oerstedella, Oncidiinae, Oncidium, Onychium, Opuntia, Othonna, Pachocereus, Pachyphytum, Pachypodium, Pachyveria, Paphiopedilum, Papilionanthe, Parodia, Pediocactus, Pellaea, Pentagramma, Peperomia, Pereskia, Pescatorea, Phaiocalanthe, Phaius, Phalaenopsis, Philodendron, Phlebodium, Phoenicophorium, Phragmipedium, Pilea, Pitcairnia, Platycerium, Plectranthus, Pleurothallis, Polypodium, Polyscias, Portulacaria, Psychopsis, Pteris, Pyrrosia, Radermachera, Renanthera, Restrepia, Rhipsalis, Rhynchostylis, Rodriguezia, Rumohra, Saintpaulia, Sanchezia, Sanderara, Sansevieria, Sarcoglottis, Schefflera, Schizanthus, Schlumbergera, Schomburgkia, Scindapsus, Sedeveria, Selaginella, Selenicereus, Sinningia, Sobralia, Sophronitis, Spathiphyllum, Spathoglottis, Spiranthes, Stanhopea, Stapelia, Stelis, Stenoglottis, Stenosarcos, Strelitzia, Stromanthe, Syngonium, Tacca, Tetramicra, Tillandsia, Trevesia, Trichantha, Tricopilia, Vanda, Vandopsis, Vanilla, Vascostylis, Vriecantarea, Vriesea, Vrieslandsia, Vuylstekeara, Wilsonara, Withnerara, Xanthosoma, Zamioculcas, Zootrophion, Zygonia, Zygopetalum.*

Genera for Tropical Plants Included: *Aerides, Aglaonema, Anthurium, Alocasia, Apocynaceae, Araliaceae, Arecaceae, Begoniaceae, Bromeliaceae, Caladium, Cananga, Cannaceae, Cicinurus, Coleus, Cordyline, Croton, Dieffenbachia, Dracaena, Echinacea, Ficus, Gardenia, Gaura, Hamelia, Hibiscus, Monstera, Orchidaceae, Parotias, Penstemon, Philodendron, Rudbeckia, Salvia, Spathiphyllum, Tectona, Veronica.*

## (8) Trees and Shrubs Seedlings and Grafts:

This includes broadleaf evergreens, coniferous, and deciduous trees and shrubs. Broadleaf evergreens are perennial woody evergreens that have leaves throughout the year. In temperate zone winters, some broadleaf evergreen may lose their leaves. Coniferous trees and shrubs have needle-like or scale-like leaves that remain on the plant for several seasons. Deciduous trees and shrubs are perennial and lose their leaves seasonally. Seedlings are insurable only after growth from seed has started. Grafted material is insurable only after graft union has formed.

## B. Plant Categories (Continued)

## (8) Trees and Shrubs Seedlings and Grafts: (Continued)

Genera for Broadleaf Evergreen Trees and Shrubs Included: *Abelia, Abutilon, Acacia, Acalypha, Acantholimon, Adenantha, Adenanthos, Adenium, Adenostoma, Agarista, Agave, Agonis, Alberta, Aloe, Alyogyne, Alyssoides, Amphitecna, Amyris, Andromeda, Anisacanthus, Anisodonte, Araucaria, Arbutus, Arctostaphylos, Ardisia, Argusia, Arundinaria, Aspidosperma, Astragalus, Atherosperma, Atriplex, Aucuba, Avicennia, Azadirachta, Baccharis, Baeckea, Bahiopsis, Bambusa, Banksia, Barleria, Barringtonia, Bauhinia, Bejaria, Beschorneria, Bischofia, Bixa, Blighia, Bolusanthus, Bombax, Borinda, Boronia, Borrchia, Bougainvillea, Bourreria, Brexia, Breynia, Brugmansia, Brunfelsia, Brya, Bucida, Bulnesia, Bumelia, Buxus, Byrsonima, Caesalpinia, Callerya, Calliandra, Callistemon, Callistephus, Calluna, Calodendrum, Calophyllum, Calothamnus, Calotropis, Calyptocarpus, Calyptranthes, Camellia, Cananga, Canella, Cannomois, Cantua, Capparis, Carissa, Carmona, Carnegiea, Carpenteria, Cassia, Cassine, Castanospermum, Casuarina, Ceanothus, Cephalanthus, Cephalostachyum, Ceratonia, Cerbera, Cercocarpus, Cestrum, Chamaedaphne, Chamelaucium, Chimonobambusa, Choisya, Chorizema, Chrysophyllum, Chrysothamnus, Chusquea, Cibotium, Cinnamomum, Cistus, Citharexylum, Clerodendrum, Cleyera, Cliftonia, Clusia, Cnidocolus, Coccoloba, Coccus, Coffee, Coleonema, Colletia, Comarostaphylis, Combretum, Conalia, Conocarpus, Conradina, Coprosma, Cordia, Cordyline, Coriaria, Cornutia, Corokia, Correa, Cortaderia, Corymbia, Cotoneaster, Couroupita, Cowania, Crescentia, Crinodendron, Crotalaria, Crowea, Cupaniopsis, Cyrilla, Cytisus, Daboecia, Damnacanthus, Daphne, Daphniphyllum, Dasylirion, Datura, Decodon, Dendrocalamus, Dendromecon, Derris, Desfontainea, Dianthera, Dicksonia, Dillenia, Dionysia, Distylium, Dodonaea, Dombeya, Doryanthes, Drimys, Dryandra, Dryas, Drynaria, Duranta, Elaeocarpus, Elsholtzia, Embotrium, Empetrum, Enkianthus, Epacris, Ephedra, Eranthemum, Eremophila, Erica, Ericameria, Eriobotrya, Eriocephalus, Eriogonum, Erithalis, Escallonia, Eucalyptus, Eucryphia, Eugenia, Eumorphia, Eurya, Excoecaria, Eysenhardtia, Fabiana, Fagraea, Fargesia, Fatshedera, Fatsia, Ficus, Filicium, Frankenia, Fremontodendron, Freycinetia, Fuchsia, Furcraea, Galphimia, Galvezia, Gardenia, Garrya, Gaultheria, Geijera, Genipa, Genista, Gigantochloa, Gliricidia, Gmelina, Goethea, Gomphostigma, Gordonia, Grevillea, Grewia, Guadua, Guaiacum, Guapira, Guettarda, Gutierrezia, Gymnanthes, Hakea, Halimocistus, Halimium, Haloragis, Hamelia, Harpephyllum, Harpullia, Hebe, Helwingia, Hernandia, Hesperaloe, Hesperoyucca, Hesperozygis, Heteromeles, Hibanobambusa, Hibbertia, Hibiscadelphus, Hibiscus, Himalayacalamus, Holmskioldia, Homalocladium, Hymenaea, Hymenolepis, Hymenosporum, Hypelate, flex, Illicium, Indigofera, Indocalamus, Intsia, lochroma, Isoplexis, Isopogon, Ixora, Jacquinia, Jasminum, Jatropha, Justicia, Kalmia, Kalmiadendron, Kalmiopsis, Kalopanax, Kigelia, Kopsia, Krascheninnikovia, Krugiodendron, Kunzea, Lagunaria, Laguncularia, Lantana, Larrea, Laurus, Lavandula, Lawsonia, Ledum, Leiophyllum, Lepechinia, Leptodermis, Leptospermum, Leucadendron, Leucaena, Leucophyllum, Leucophyta, Leucospermum, Leucothoe, Leycesteria,*

**B. Plant Categories (Continued)**

## (8) Trees and Shrubs Seedlings and Grafts: (Continued)

*Ligustrum, Lipochaeta, Lisianthus, Lithocarpus, Lonchocarpus, Lophomyrfus, Lophostemon, Loropetalum, Luculia, Luma, Lyonia, Lyonothamnus, Lysiloma, Macaranga, Machilus, Maesa, Maireana, Malpighia, Malvaviscus, Mangave, Markhamia, Mastichodendron, Maytenus, Megaskepasma, Melaleuca, Melastoma, Melianthus, Menziesia, Meryta, Metapanax, Metrosideros, Millettia, Millingtonia, Mimosa, Mimusops, Monochaetum, Montanoa, Montezuma, Marinda, Muntingia, Murraya, Mussaenda, Myrcianthes, Myrica, Myristica, Myroxylon, Myrsine, Myrtus, Nandina, Nashia, Nectandra, Nemopanthus, Neohouzeaua, Neoregelia, Nerium, Newbouldia, Nolina, Noronhia, Ochna, Ochrosia, Olea, Olearia, Olineya, Oncoba, Osmanthus, Osmoxylon, Osteomeles, Otatea, Oxyspora, Ozothamnus, Pachira, Pachystachys, Pandanus, Parahebe, Parakmeria, Parkinsonia, Pavonia, Paxistima, Peltogyne, Philenoptera, Philotheca, Photina, Phygelius, Phyla, Phylliopsis, Phyllostachys, Picramnia, Pieris, Pimelea, Pimenta, Pipturus, Piscidia, Pisonia, Pithecellobium, Pittosporum, Platymiscium, Pleioblastus, Plumbago, Polyalthia, Polyspora, Posoqueria, Prostanthera, Protea, Pseuderanthemum, Pseudopanax, Pseudosasa, Psoralea, Psychotria, Pterocarpus, Pterospermum, Puya, Pyracantha, Quillaja, Randia, Rapanea, Rauwolfia, Reinwardtia, Rhamphiolepis, Rhamphithamnus, Rhizophora, Rhododendron, Ricinus, Rondeletia, Rosmarinus, Rothmannia, Ruscus, Ruspolia, Russelia, Ruta, Ruttya, Sageretia, Santalum, Saraca, Sarcococca, Sasa, Sasaella, Scaevola, Schinus, Schizostachyum, Securidaca, Sedoru, Semiarundinaria, Senna, Serissa, Sesbania, Severinia, Shepherdia, Shibataea, Sideroxylon, Simarouba, Sinobambusa, Skimmia, Sollya, Sparmannia, Spathodea, Stemmadenia, Stenocarpus, Sterculia, Streptosolen, Strobilanthes, Suriana, Sutherlandia, Swietenia, Sycoparrotia, Synadenium, Synsepalum, Syzygium, Tabernaemontana, Talipariti, Tamarindus, Tamarix, Tecoma, Tecomaria, Tectona, Telopea, Ternstroemia, Tetradium, Tetratheca, Tetrazygia, Thamnocalamus, Thespesia, Thevetia, Thryptomene, Thysostachys, Tibouchina, Tipuana, Tribulus, Trichilia, Trichostema, Triphasia, Triplaris, Tristaniopsis, Trochodendron, Ugni, Umbellularia, Vauquelinia, Vestia, Viminaria, Westringia, Whitfieldia, Wikstroemia, Wrightia, Xanthorrhiza, Xylosma, Yucca, Yushania.*

Genera for Coniferous Trees and Shrubs Included: *Abies, Afrocarpus, Agathis, Athrotaxis, Calocedrus, Cedrus, Cephalotaxus, Chamaecyparis, Cryptomeria, Cunninghamia, Cupressus, Fitzroya, Juniperus, Microbiota, Microcachrys, Nageia, Phyllocladus, Phyllodoce, Picea, Pinus, Platycladus, Podocarpus, Prumnopitys, Pseudotsuga, Saxegothaea, Sciadopitys, Sequoia, Sequoiadendron, Taxus, Thuja, Thujopsis, Tsuga.*

Genera for Deciduous Trees and Shrubs Included: *Abeliophyllum, Acer, Acrocarpus, Adansonia, Adina, Adonis, Aesculus, Aglaia, Albizia, Aleurites, Alnus, Alstonia, Amelanchier, Anacardium, Annona, Aronia, Artocarpus, Asimina, Astronium, Avertroea,*

**B. Plant Categories (Continued)**

## (8) Trees and Shrubs Seedlings and Grafts: (Continued)

*Berberis, Betula, Brachychiton, Brownea, Buddleja, Bulbine, Bursera, Butea, Callicarpa, Calycanthus, Caragana, Garica, Carpinus, Caryopteris, Casimiroa, Castanea, Castanopsis, Catalpa, Ceiba, Celtis, Cercidiphyllum, Cercidium, Cercis, Chaenomeles, Chilopsis, Chimonanthus, Chionanthus, Chitalpa, Citrus, Cladostamnus, Cladrastis, Clethra, Cochlospermum, Colvillea, Cornus, Corylopsis, Cotinus, Crataegus, Cydonia, Dalbergia, Dasiphora, Davidia, Decaisnea, Delonix, Deutzia, Dichroa, Diervilla, Diospyros, Dimocarpus, Dirca, Disanthus, Edgeworthia, Elaeagnus, Elliotia, Emmenopterys, Ensete, Enterolobium, Erythrina, Eucommia, Euonymus, Euscaphis, Exochorda, Fagus, Fallugia, Fendlera, Firmiana, Fontanesia, Forestiera, Forsythia, Fothergilla, Fouquieria, Frangula, Franklinia, Fraxinus, Garcinia, Gaylussacia, Geoffroea, Ginkgo, Gleditsia, Gymnocladus, Halesia, Hamamelis, Handroanthus, Hvardia, Heptacodium, Hibiscus, Hippophae, Holodiscus, Hovenia, Hydrangea, Idesia, Itea, Jacaranda, Jacquemontia, Jamesia, Juglans, Kerria, Koelreuteria, Kokia, Kolkwitzia, Laburnocytisus, Laburnum, Lagerstroemia, Larix, Lavatera, Leitneria, Lindera, Liquidambar, Liriodendron, Litchi, Litsea, Lonicera, Maackia, Macadamia, Maclura, Magnolia, Malacomeles, Matus, Mangifera, Manihot, Manilkara, Melia, Metasequoia, Marus, Musa, Neolitsea, Neviusia, Nothofagus, Nyssa, Oemleria, Oplopanax, Ostrya, Oxydendrum, Parrotia, Parrotiopsis, Paulownia, Peltophorum, Peraphyllum, Persea, Phellodendron, Philadelphus, Physocarpus, Pinckneya, Pistacia, Plagianthus, Platanus, Platycrater, Plinia, Plumeria, Pongamia, Populus, Potentilla, Pouteria, Prosopis, Prunus, Pseudobombax, Pseudocydonia, Pseudolarix, Psidium, Psorothamnus, Ptelea, Pterocarya, Pterostyrax, Punica, Purshia, Pyrus, Quercus, Rhamnus, Rhigozum, Rhodotypos, Rhus, Ribes, Robinia, Rosa, Roseodendron, Rubus, Salix, Sambucus, Sapindus, Sapium, Sarcobatus, Sassafras, Schizolobium, Schotia, Sibiraea, Sinocalycanthus, Sinojackia, Sophora, Sorbaria, Sorbus, Spiraea, Spondias, Staphylea, Stephanandra, Stereospermum, Stewartia, Styphnolobium, Styrax, Symphoricarpos, Syringa, Tabebuia, Taxodium, Terminalia, Theobroma, Tilia, Toona, Ulmus, Ungnadia, Vaccinium, Viburnum, Vitex, Weigela, Xanthoceras, Zanthoxylum, Zelkova, Zenobia, Ziziphus.*

## (9) Propagative Horticultural Materials, including Cuttings, and Tissue Cultured Plantlets:

Plants grown for their propagative horticulture materials which means “all the generative parts of the plant, such as, but not limited to cuttings, roots, meristem tissue, and parts of plants.”

## (10) Other groupings of plants as identified in the actuarial documents.

**C. Insured Crop and Plants**

- (1) The insured crop will be all specific plants within all plant categories within each insured plant production practice for CAT coverage, and within each insured plant category within each insured plant production practice for additional coverage and that:
  - (a) the insured has an insurable share;
  - (b) the AIP determines to be acceptable;
  - (c) are grown in a county for which a premium rate is provided in the actuarial documents;
  - (d) are grown in an acceptable CE operation as determined by the AIP;
  - (e) are irrigated (meeting the CP definition) (Insured is required to have adequate irrigation equipment and water to irrigate all insurable specific plants at the time coverage attaches and throughout the insurance period);
  - (f) are grown in accordance with the good production practices for which premium rates have been established;
  - (g) are grown in an appropriate medium (e.g., soil, hydroculture, and air);
  - (h) are not stock plants;
  - (i) may produce edible fruits, nuts, buds, flowers, or greenery to be sold; and
  - (j) are not any plants classified by a State or county as illegal to grow or sell in the county in which the CE operation is located. For example, growing or selling plants classified as invasive species is illegal in many States and counties. Further, insurance shall not attach or be provided for any plant considered a controlled substance under the provisions of the Food Security Act of 1985 (Pub. L. 99-198) and the regulations promulgated under the Act by USDA.
- (2) Plants grown in containers with two or more different genera, species, subspecies, varieties, or cultivars of plants are insurable if such production is consistent with good production practices and there is no reason to believe that such mixed production practice has any adverse effect on compliance with biosecurity protocols or the level of disease or contamination risk for the operation. The insured will specify which plant category the containers will be insured. Make a note in the Remarks section as to which plant category the insured chooses.
- (3) CE operation must follow “good production practices” as defined in the CP. Specific requirements for good production practices may be shown in the SP.

**D. Eligible Plants Grown under Irrigation**

- (1) Unless otherwise allowed in the SP, CE operations are required to be irrigated.
  - (a) CE grown plants require application of water as needed under good production practices.
  - (b) The irrigation method may vary depending upon the CE structure, plant being grown, and container systems used.
- (2) There are various methods of irrigating.
  - (a) For the purposes of insurance, there must be an adequate supply of water and adequate equipment to deliver the water to the plants.
  - (b) It must be determined at the time of an inspection that there is an adequate source of water and the method and frequency of application is effective in maintaining the proper amount of moisture for the plants. The plant category also affects the required frequency and amount of water applied. Failure of a water source or failure or loss of irrigation equipment is not an insurable cause of loss. The CP does not cover any loss other than plant disease or contamination. If there is any damage caused by lack of irrigation water, an uninsured cause of loss appraisal will be performed.

**E. Plants Damaged Prior to the Attachment of Insurance**

Any plant that was damaged prior to the date insurance attaches is uninsurable and cannot be insured.

The insured must maintain the identity of plants that were infected with the disease or contamination prior to insurance attachment. The insured must maintain an inventory including the number of all specific plants with disease or contamination and their location in the CE operation. The inventory should be updated as plants are destroyed.

**F. Insurability of Hemp (*Cannabis sativa L.*)**

In accordance with Section 8(j) of the CP, hemp (*Cannabis sativa L.*), as defined in the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.), is insurable under CE when grown in accordance with the regulations governing hemp production.

- (1) The insured must comply with all applicable Federal regulations and any applicable State or tribal laws.
- (2) Regardless of State or tribal law, the sale of hemp with a (THC) level greater than the amount provided in the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.), or subsequent statute will be considered the sale of a controlled substance. Controlled substances are not insurable.

**F. Insurability of Hemp (*Cannabis sativa L.*) (Continued)**

- (3) If the hemp is produced in a State or tribal territory which has assumed regulatory responsibility for hemp production, the insured must comply with all requirements and provisions of the regulatory plan of that State or tribe and possess any license required by that plan. AIPs must obtain a copy of the insured's license with the CEVR to be kept in the insured's file.
- (4) Hemp must be produced using seed or plant cuttings adapted and appropriate for the intended use (for example, if planting hemp to be harvested primarily for fiber, the seed must be adapted to fiber production). Hemp that is unsalable or destroyed due to a THC level that exceeds the amount provided in the Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.), or subsequent statute will be considered damaged due to uninsurable causes.

17 Cause of Loss Limitations and Requirements

---

**A. Limitations**

In addition to the causes of loss excluded in Section 12 of the BP, the following are not covered causes of loss:

- (1) The inability to market the specific plants due to a buyer not purchasing such specific plants or a boycott in the industry.
- (2) The buyer does not accept the specific plants.
- (3) Any loss that causes specific plants to not mature to expected size to sell.
- (4) Any damage caused by not following good production practices.

**Note:** See Section 10 of the CP for additional limitations.

**B. Requirements**

Insurance is provided for damage due to plant disease or contamination only.

- (1) The CE insurance program only insures unavoidable damage to specific plants caused by the unknown introduction of a plant disease or contamination that results in (Section 10 of the CP):
  - (a) A destruction order;
  - (b) A quarantine due to the plant disease or contamination found in the environment and the AQRS:

**B. Requirements (Continued)**

- (i) Requires destruction, and the plants are destroyed; or
  - (ii) Offers or recommends the option of destruction, and the plants are destroyed.
- (2) The cause of loss is the unknown introduction of a plant disease or contamination into the CE at no fault of the CE operator resulting in a destruction order that requires destruction of the plants.

**C. Destruction Orders**

- (1) The destruction order or AQRS must be submitted with any claim.
- (2) The destruction order or AQRS and supporting information must:
- (a) Identify the plant disease or contamination.
  - (b) Identify action to be taken, such as destroy the dead/ZMV and, if any, non-damaged plants (buffer zone). Non-damaged plants that must be destroyed due to their proximity or possible infection are eligible for an indemnity.
  - (c) State how the plants will be or were destroyed.
  - (d) State the date of the order and deadlines for destruction or dates of destruction in the event of a quarantine.

**D. Insured Responsibilities**

- (1) The insured must provide documentation that the order to destroy plants has been completed.
- (2) Documentation that all requirements of the order have been met and public official or office agree the terms of the order are completed.

18 Conditions of Acceptance

---

**A. Inspection Report**

- (1) The inspection report must be completed prior to the acceptance of any application for insurance of a CE crop, and at certain other times, as noted in Para. 16B below. The CE inspection is conducted by the AIP to determine the acceptability of the CE operation as an insurance risk.
- (2) The inspection report is an active record and must be maintained until a new inspection is completed or the policy is no longer in force. There must be an inspection report in the insured's file while the policy remains in effect.

**A. Inspection Report (Continued)**

- (3) The AIP will review the inspection report and determine whether to bind coverage. In case of a negative inspection report, the AIP shall respond by choosing from the options under Para 16D and 16E below.

**B. Inspection of CE Operations**

- (1) An inspection must be performed:
- (a) When a policy is transferred from another AIP to determine if the:
    - (i) inventory amounts reported on the MUVP are appropriate based on visual inspection of the standing inventory, historical records, or a comprehensive business plan for new plant categories, number of plants, etc., and the limits are not exceeded as provided under the definition of SV in the CP;
    - (ii) SVs by plant category reported on the CEVR are supported by acceptable documentation (if a plant category was not grown by the CE operation before, state that in the remarks section);
    - (iii) risk is acceptable; and
    - (iv) insurability requirements are met (refer to Section 8 of the CP for additional information).
  - (b) When the insured submits a revised CEVR, when the total of all SVs reported on the CEVR is increased 50 percent or more from the previous total of all SVs on the CEVR, and the increase is not due to restocking subsequent to an insured loss. If performed, the inspection is to determine that good production practices are followed, and the CE operation is capable of handling the increased SV.
  - (c) When a new plant production practice is added to the operation. A plant production practice cannot be added to the insurance policy during a crop year.
  - (d) When a new site, location or CE structure is added to the operation.
  - (e) When an inspection has not been completed in the previous four crop years.
  - (f) As part of the documentation underlying a claim for indemnity.
- (2) An inspection may be performed at any time to determine good production practices are followed, and that adequate, acceptable facilities exist to accommodate the inventory.

**C. Completion of Inspection**

The inspection must be completed timely enough to provide the AIP the opportunity to reject the application, or cancel the policy, if necessary, before the coverage inception date as specified in Section 9 of the CP.

**D. Negative Inspection Report**

A negative inspection report requires one or more of the following actions:

- (1) Notify the applicant or insured in writing of any noted deficiency and, if the deficiency is not corrected and a loss occurs, that there are potential grounds for denying any claim.
- (2) Notify the applicant or insured that on the basis of the negative inspection report and/or requirements of the CP and SP that:
  - (a) coverage is denied (reject or cancel the policy); or
  - (b) coverage on damaged inventory is rejected, while coverage is accepted on undamaged inventory.
- (3) Re-inspect the CE operation to determine if the causes for denying a claim or coverage, if new policy application, have been corrected.

The required inspection elements and required AIP actions in case of a negative report are:

Inspection Element	Action (Negative Report)
Eligibility	Deny coverage.
Accuracy of most recent catalog	Review and determine if CE catalog meets the requirements of <a href="#">Paragraph 13A</a> . If catalog does not meet the requirements, then report is still negative and the catalog is rejected. The operation cannot be insured until an acceptable catalog is submitted.
Failure to provide documentation or providing inadequate documentation	Deny coverage on the basic unit.
Adequacy of Facilities:	When only a portion of the plants are irrigated and non-irrigated coverage is not allowed by the SP, deny coverage for all plants in the CE operation.
(1) Inadequate Irrigation	The inspector must determine the requirements, adequacy, and availability of irrigation for all plants.
(2) Existing Damage	Notice of potential grounds for denying a claim or denying coverage. If any of the plants are dead or damaged (due to any reason) and is evident during the inspection, the AIP shall notify the CE operation in writing that plants with existing damage are not insurable under CE program.

**D. Negative Inspection Report (Continued)**

	Inspection Element	Action (Negative Report)
(3)	Improper Growing Medium	Notice of potential grounds for denying a claim or denying coverage.
(4)	Weeds	Notice of potential grounds for denying a claim or denying coverage.
(5)	Plant Production Practice	All plants to be insured must follow an approved plant production practice shown in the SP.

**E. Results of Any Negative Inspection**

- (1) In all cases, the AIP may choose to re-inspect. If the deficiency upon which a denial was based is corrected, an applicant may reapply for coverage. A 30-day waiting period will be applied to this subsequent application for new insureds. See [Paragraph 3D](#) for additional information about insurance attachment and [Paragraph 16D](#) for timely responses correcting deficiencies.
- (2) If plant damage is evident at the time of inspection, the inspector shall document the specific plants damaged, plant production practices, type of damage, and number of damaged specific plants and advise the insured that such plants are not insurable. If necessary, the CEVR must be adjusted.

19 Unit Division

---

**A. CAT Coverage**

For each insured plant production practice, insureds may elect the CAT coverage. A basic unit under the CAT coverage consists of all insurable plant categories within each insured plant production practice.

**B. Additional Coverage**

For additional levels of coverage, the basic unit as defined will be divided into additional basic units for each plant category you choose to insure within each insured plant production practice:

- (1) A different coverage percentage may be selected for each insured plant category.
- (2) For the purposes of establishing the pre-loss actual unit value and the post-loss damage value, the insured is deemed to have selected 100 percent of the approved sales value of each specific plant.

**C. Geographic Basis**

Unit division on a geographic basis (i.e., different sections, FSNs, etc.) is not available for either CAT or additional coverage.

Optional, enterprise, and whole-farm units are not available under this program.

Amount of insurance for each basic unit is used to calculate premium, crop year deductible, and the indemnity payable for the basic unit and is determined as follows:

**A. CAT Coverage for an Insured Production Practice**

The amount of insurance is the SV multiplied by the coverage percentage (50 percent multiplied) by the price election percentage (55 percent), and by the insured's share.

The SV for each insured plant production practice cannot exceed the lesser of the following:

- (1) 110 percent of the maximum value for all plant categories in any given month during any of the previous three crop years; or
- (2) the maximum of the monthly values for all plant categories reported on the MUVP. At the time of an inspection, the CE operations must provide supporting documentation to support the monthly values reported.

**B. Additional Coverage for Insured Plant Categories**

The amount of insurance for each basic unit is the insured's SV multiplied by the coverage percentage that the insured elects multiplied by 100 percent (price election) multiplied by the insured's share.

**C. Determine Premium**

The amount of insurance for each basic unit is multiplied by the applicable premium rate and monthly proration factor, if applicable.

**D. Multiple Benefits**

In accordance with Section 3(b)(4) of the CP, if the insured has coverage under a CE policy and a Nursery Value Select policy, refer to Paragraph 806A(1) in the GSH.

**A. General Information**

- (1) The CEVR is due at the time the initial application is submitted and at renewal. If the insured certifies in writing on the CEVR there are no material changes from the previous year, a new MUVP does not need to be submitted. A material change occurs if the SV is greater than:
  - (a) for additional coverage policies, the expected maximum monthly value for the crop year; or
  - (b) for CAT coverage policies, for each insured plant production practice, lesser of:
    - (i) 110 percent of the maximum value for all insured categories in any given month during any of the previous three crop years; or

**A. General Information (Continued)**

- (ii) the maximum of the monthly values reported on the MUVP for that unit.
- (2) A CEVR is submitted by:
  - (a) New insureds, at the time of application.
  - (b) Carryover insureds, on or before the SCD for the crop year. Coverage will attach for the crop year on June 1 or October 1, as applicable, for all States where CE is available, if the insured submits the CEVR and catalog(s) for the crop year (see [Paragraph 13A](#)) by the SCD and the documentation is determined to be acceptable. A revised CEVR is required to increase the SVs established under this item and a 30-day waiting period following such revisions will apply.
- (3) AIPs, and their agents, may assist insureds in establishing their MUVP to support the SV reported on the CEVR. Such support may include, but is not limited to, partition of inventory into plant categories, review of approved sales value calculations, review of monthly inventory plans, supporting documentation and considerations regarding selection of insured and uninsured plant categories.
- (4) The CEVR must include the following:
  - (a) all the CE operation's growing locations and structures in the county in which the insured has an insurable share;
  - (b) for each insured plant production practice and basic unit, all insured plant categories and their SV;
  - (c) the coverage percentage for each basic unit; and
  - (d) share.

**B. Pricing**

As per the CP and depending on available data, each specific plant has an approved sales value based on, in order of precedence, the insured's:

- (1) average weighted wholesale price realized for past sales (not to exceed 1.5 times the catalog price for the specific plant, unless otherwise specified in the SP);
- (2) the average contract price for future wholesale deliveries (not to exceed 1.5 times the catalog price for the specific plant, unless otherwise specified in the SP); or
- (3) wholesale catalog price minus the largest discount (calculated as a percentage if the discount is recorded as a dollar amount) the insured provides (exception: the prices for plants grown under license from the holder of a patent issued by the US Patent and Trademark Office provided the license specifically establishes the required sales price are not discounted). If the insured's catalog does not contain all applicable discounts, the wholesale catalog price for the specific plant will be decreased by 10 percent.

**C. Supporting Documentation**

- (1) The AIP may request supporting documentation to verify the MUVF values reported on the CEVR.
- (2) The AIP should advise the insured that supporting documentation must be available to support the amounts stated on the CEVR. The AIP may request these documents during the process of underwriting a crop policy and will request them for adjusting a loss:
  - (a) a detailed plant list that contains the name and the quantity of each specific plant;
  - (b) acceptable sales records for use by the AIP in assessing the validity of the values contained in the MUVFs for each plant category; and
  - (c) documentation or demonstrated performance of the insured's ability to properly obtain specific plants and carry out good production practices related to the maintenance of the specific plants.
- (3) After insurance attaches, failure to provide supporting documentation when requested will result in premium owed, but no indemnity paid for any plant categories where supporting documentation was not provided. This does not apply to:
  - (a) plant varieties not previously grown; or
  - (b) new CE operations where an inspection has determined an insured has the ability to properly obtain and maintain the CE grown stock.

**D. CEVR Revisions**

The SV for each basic unit may be revised upward no more than twice during the crop year, and the additional premium will be prorated based on the time period remaining in the crop year. The revision can only be done to increase SVs, except as stated in Paragraph 19E below. A revised CEVR must be submitted for each applicable basic unit.

- (1) The CEVR may be revised PRIOR to 30 days before the end of the crop year due to:
  - (a) changes in the CE operation (increased growing area, inventory volume, or inventory value, etc.);
  - (b) restocking after an insurable cause of loss results in crop damage. (The revised CEVR in this case is not considered one of the two allowable revisions.);
  - (c) clerical errors. (The reason for the upward revision must be indicated in the remarks section of the CEVR form stating, "revised upward for clerical error correction.");

**D. CEVR Revisions (Continued)**

- (d) acquisition of another CE operation in the same county that is currently insured. (The terms of the BP apply. The revised CEVR in this situation is not considered one of the two allowable revisions. The acquired CE operation insures different plant categories and plant production practices. Those may be added to the CEVR for the acquiring operation.)
- (2) Increases in SV on revised CEVRs are subject to the 30-day waiting period before insurance attaches. The waiting period does not apply when an insured operation is acquired by an existing insured operation. An inspection of the CE operation may be conducted to determine good production practices are followed, and that adequate, acceptable facilities exist to accommodate the requested increase. If the insured increases the total of all SVs on the CEVR:
  - (a) less than 50 percent from the previous total of all SVs on the CEVR, the AIP has the discretion to inspect the CE operation; or
  - (b) 50 percent or more from the previous total of all SVs on the CEVR, the AIP will inspect the CE operation.

**E. Exception to Only Revising Upward**

The AIP or insured may revise the CEVR downward after SCD in order to correct clerical errors as allowed by the BP.

**F. Other Requirements**

AIPs must verify that the CEVR is properly and correctly reported by inspecting documents submitted by the insured (see Paragraph 19C above) before completing any claim for indemnity.

**22 Written Agreements**

---

Written agreements are not applicable to this pilot program.

**23 Amount of Insurance and Limit of Indemnities**

---

The amount of insurance for a basic unit equals the SV multiplied by the selected coverage percentage, by the price election percentage, and by the insured's share. The total of all indemnities cannot exceed the amount of insurance.

**24-30 (Reserved)**

---

## EXHIBITS

### Exhibit 1 Acronyms and Abbreviations

---

Common acronyms and abbreviations are not listed below unless they are being used in a manner different than otherwise commonly used. The listing below are program/crop specific acronyms for this handbook. Other acronyms that are not defined can be found in the GSH.

Acronym/Abbreviation	Term
AQRS	Alternate Quarantine Release Strategy
CEVR	Controlled Environment Value Report
CE	Controlled Environment Agriculture
EAN	Emergency Action Notification
MUVP	Monthly Unit Value Plan
SV	Selected Value
THC	Tetrahydrocannabinol
ZMV	Zero Market Value

**Alternate quarantine release strategy (AQRS):** Guidance provided by APHIS, or similar guidance issued by a Federal or State agency, that outlines options you have in response to a quarantine. Examples include, but are not limited to, recommending destruction of plants and providing the option to destroy plants to avoid or to be released from a quarantine.

**Average Weighted Wholesale Price:** The value obtained by summing each quantity of specific plants sold multiplied by the applicable sales price (excluding all discounts and shipping charges as well as any similar amounts that do not directly relate to the wholesale value of the specific plants) obtained from verifiable sales records for a defined period of time stated in the definition of “approved sales value” and dividing by the total quantity sold of the same specific plant.

**Biosecurity self-certification:** A document the insured reviews and completes annually and must be provided to the AIP that certifies the insured’s implementation of good production practices regarding phytosanitary biosecurity processes.

**Botanical name:** The Latin, scientific, or legal form of a plant name. Parts of the name may be genus, specific epithet (species), subspecies, variety, and cultivar.

**Common name:** The name by which a plant may be known in everyday commerce.

**Contamination:** A presence of, detection of, or exposure to contaminants into the CE.

**Coverage percentage:** The percentage of the SV the insured elects to insure. For additional level of coverage, the insured may select from 50.0 percent to 85.0 percent in 5.0 percent increments. For CAT level of coverage, the coverage percentage is 50 percent.

**Crop Year:** A 12-month period identified by the SCD in the Special Provisions that begins June 1 and extends until the immediately following May 31 (May 1 SCD) or begins October 1 and extends until the immediately following September 30 (September 1 SCD), as applicable. The crop year is designated by the calendar year in which it ends.

**Dead/zero market value plant:** A specific plant that, due to an insured cause of loss, must be destroyed pursuant to a destruction order or is destroyed in response to an AQRS.

**Destruction Order:** An EAN or other order issued by an official authorized to enforce the terms of the Plant Protection Act or similar regulations established by a State requiring destruction of plants.

**Monthly proration factors:** Factors contained in the actuarial documents that are used to calculate premium when insurance attaches after the beginning of the crop year.

**Percent of loss:** Post-loss damage value divided by pre-loss actual unit value.

**Price election percentage:** A value equal to 1.00 if the insured elects additional coverage or 0.55 if the insured elects CAT coverage.

## Exhibit 2 Definitions (Continued)

---

**Quantity:** For specific plants sold by the count, the actual number of such plants. For specific plants that are harvested, and the production is sold by weight, the number of pounds. The number of cartons or other containers will be converted to an equivalent number of pounds if such measures are used for sale.

**Quarantine:** Official confinement of regulated articles for observation and research for further inspection, testing, or treatment.

**Regulated article:** Any plant, plant product, storage place, packaging, conveyance, container, soil, and any other organism, object, or material capable of harboring or spreading pests, deemed to require phytosanitary measures.

**Specific plant:** A plant identified by the complete botanical or common name as listed in the insured's catalog, including the size of the plant, or as otherwise defined in the SP. The products of plants being grown solely for harvest of buds, flowers, greenery, or any portion of the plant are also considered specific plants.

**Wholesale:** The sale of specific plants to retailers for resale and not directly to the end-user, except to end-users including but not limited to landscape contractors, government entities or organizations, restaurants, grocers, and commercial vegetable and fruit producers.



**INSTRUCTIONS FOR COMPLETION OF CEVR****A. The following entries are required for the CEVR. The sequence of the items on the CEVR will be determined by the format selected by the AIP.**

- (1) For new insureds, this report must be completed at the time of application.
- (2) For carryover insureds, this report must be filed on or before the SCD.
- (3) This report may be revised by increasing the SV within acceptable limits until 30 days before the end of the crop year, although such revisions may only be made twice a year with exceptions noted in [Paragraph 19D](#).
- (4) This report will include all growing locations in the county that represent the SVs values the insured submits.
- (5) This report may be used to increase values of already-insured plant categories to the inventory that have been restocked after a loss. This does not count as one of the two allowable revisions in (3) above.
- (6) The price election percentage on the CEVR must always be 1.00 for additional coverage policies and 0.55 for CAT coverage policies.
- (7) Coverage percentage elections must be made on the application or policy change form.
- (8) All required elements of the CEVR ([Paragraph 19](#)) and any supporting documentation (e.g., sales records) requested by the AIP must be submitted before the CEVR is considered complete.
- (9) Document in the Remarks section, or in an attachment to the CEVR:
  - (a) Any uninsurable plants in insured plant categories to identify that these plants will not be insurable under the policy; and
  - (b) The methods that will be used to maintain the identity of these plants. See [Paragraph 14E](#) for guidance about methods of maintaining identity of plants.

**B. Identifying the Insured**

- (1) Insured's name.
- (2) Policy number.
- (3) Street Address, City, County, State, Zip Code of each CE operation (one or multiple CE structures under common ownership or management) in which the insured has an interest in the county.

**C. Underwriting Questions**

Downward revisions to the SV are not allowed after insurance attaches. Upward revisions are allowed if FCIC-approved guidelines are followed (refer to Section 6 of the CP and [Paragraph 19D](#)). For the year of application:

If the insured applies for coverage after the SCD (May 1 or September 1, as applicable), coverage will begin after the start date of the crop year (June 1 or October 1, as applicable), subject to a 30-day waiting period.

**Example: Application after SCD**

SCD	Application	First Day of 2027 Crop Year	Insurance Attaches for 2027 Crop Year	Last Day of 2027 Crop Year
May 1, 2026	May 10, 2026	June 1, 2026	June 10, 2026	May 31, 2027

Step	Description of Required Action	Entry Format
(1)	Enter applicable three-digit practice code.	
(2)	Enter Crop Year.	
(3)	Indicate if this is a revised report.	Circle Yes or No
(4)	Enter Date.	
(5)	Has the CE operation changed in the past year? (“Yes” requires an inspection.)	Circle Yes or No
(6)	Are all growing locations in the county insured?	Circle Yes or No
(7)	Has the insured provided catalogs?	Circle Yes or No
(8)		Make no entry
(9)		Make no entry
(10)	Does the insured have infected plants from the prior crop year that have not been destroyed? These are not insurable. (“Yes” answer requires an inspection.)	Circle Yes or No
(11)	Does the insured have any insurable plants that were damaged during the prior crop year(s) that have not been destroyed? These are not insurable. If “Yes,” identify those plants & the quantity in Remarks section. (“Yes” requires an inspection.)	Circle Yes or No
(12)	Does the insured have insurable plants that cannot be insured because they failed to meet insurability requirements prior to the beginning of the crop year? If “Yes,” these are not insurable. Identify those plants & the quantity in Remarks section.	Circle Yes or No

**C. Underwriting Questions (Continued)**

Step	Description of Required Action	Entry Format
(13)	Has the insured included all plant categories that they want to insure (additional coverage only)?	Circle Yes or No
(14)	Does the insured have an inspection report on file that was completed within the past four crop years? (“No” requires an inspection.)	Circle Yes or No
(15)	Does the insured certify that there have been no material changes in the CE operation or in the plant inventory since the insured submitted the prior CEVR and that the SV remains equal to or less than the expected maximum monthly unit value? NA is only applicable for new insureds.	Circle Yes, No, or NA

**D. Reporting by Practice – For CAT Coverage**

Insureds must report on the CEVR the highest inventory amount for all the insured plant categories in any of the preceding three crop years and the maximum of the monthly values reported on the MUVP.

**E. Reporting by Basic Unit**

The CEVR requires a MUVP (refer to [Exhibit 4](#)) to be included with the CEVR.

The CEVR is by basic unit. Separate reports are required for each basic unit. For CAT coverage, basic units are established by plant production practice; for additional coverage, basic units are established by insured plant category within the insured plant production practice. All insured plant categories are identified on the CEVR. For additional coverage, the CEVR will include only the plant category in that basic unit. For CAT coverage, the report will include all the plant categories in the insured plant production practice. The following are required on the CEVR:

- (1) County.
- (2) Practice Code.
- (3) Plant Category.
- (4) Basic Unit Number:
  - (a) For CAT coverage, each plant category within the insured plant production practice will be assigned the same number.
  - (b) For additional coverage, each insured plant category will be assigned a different basic unit number.

**E. Reporting by Basic Unit (Continued)**

- (5) Total SV equals the sum of the SV for each insured plant category in the unit.
- (6) Amount of insurance equals the sum of the result of (a) through (d) for all insured plant categories in the unit:
  - (a) the SV for each plant category multiplied by;
  - (b) the coverage percentage multiplied by;
  - (c) price election percentage (100 percent for additional, 55 percent for CAT) multiplied by; and
  - (d) insured's share.
- (7) For CAT policies, the SV for each insured practice cannot exceed the lesser of:
  - (a) 110 percent of the maximum value for all insured plant categories in any given month during any of the previous three crop years; or
  - (b) The maximum of the monthly values reported on the MUV. At the time of an inspection, the CE operation must provide inventory records to support the monthly values reported.
- (8) Remarks: Enter information as needed (e.g., "revised upward for new location").

**F. Understanding by Insured**

Verify the insured understands that:

- (1) Only plant categories listed in the actuarial documents are insurable.
- (2) One CEVR is submitted for each basic unit.
- (3) The values reported in the MUV are based on the maximum value of all the specific plants in each insured plant category that the insured expects to be in the CE operation each month of the crop year.
- (4) For additional coverage, not all plant categories in each insured plant production practice must be insured. Insured elects the plant categories to insure on the CEVR.
- (5) Each basic unit may be insured at a different coverage percentage.
- (6) Indemnities will be based on the pre-loss unit value or the SV for the basic unit depending on which of these two values is smaller at the time of loss.

**F. Understanding by Insured (Continued)**

- (7) Indemnities will be influenced by inventory values in a plant category at the time of loss and that the insured is effectively self-insuring inventory whose value exceeds the SV.
- (8) Only CE operations are eligible for coverage. The CE operation must derive at least 40 percent of its gross income from wholesale marketing of specific plants.
- (9) Supporting documents ([Paragraph 19C](#)) for values used on the CEVR must be maintained and available for the AIP's review for three crop years beyond the current crop year.

**G. Signature by Insured**

The CEVR must be signed and dated by the insured. It is not acceptable to mark on the report "signature on file" or "report by telephone" or any other remark without the original signature of the insured. The applicable certification statement must be included on any form that the insured signs. See FCIC-24040 Document Supplemental Standards Handbook to determine applicable certification statement.

**H. Signature by Representative**

The agent must sign and date the CEVR.

**I. Required Statements**

The Collection of Information and Data (Privacy Act) Statement and the Nondiscrimination Statement must be included on any form the individual signs or provided to the individual on separate form for each form that is signed by the individual. A copy must be maintained by the AIP. The Certification Statement must be included on any form that the insured signs that collects information from the insured. See the FCIC-24040 Document Supplemental Standards Handbook to determine the applicable statements to include on any forms.

**Exhibit 4 Completion Instructions - Controlled Environment Value Report (Continued)**

AIP: ABC Insurance Company Agency: Acme Agency

CEVR									
Practice: Soil									
Insured's Name IM Insured									
Street Address xxxxxxxx					My CE operation has changed in the last year.		Yes	No	
City, County, State, Zip xxxxxxxx					All my growing locations are insured in the county.		Yes	No	
CE Operation Location						I have provided catalogs (One electronic catalog or two hard copies).		Yes	No
						I have insurable plants that were infected during the prior crop year that have not been destroyed. If "Yes," identify infected plants to be destroyed in Remarks section or attach completed appraisal worksheet.		Yes No	
PLANT CATEGORY (ies)	BASIC UNIT NO.	SELECTED VALUE	COVERAGE Percentage	PRICE LEVEL (Additional Coverage 1.0, CAT .55)	INSURED SHARE	AMOUNT OF INSURANCE	Remarks:		
5	1	900,000 X	0.75 X	X	=	675,000			
		X	X	X	=				
		X	X	X	=				
For basic unit by share only, the total amount of insurance for all plant categories insured: \$						\$675,000			
<p>I submit this report and two copies of the most recent catalog(s) for my CE pursuant to the requirements of the CE Crop Provisions. I certify that the catalog prices and any discounts, if applicable, are a true reflection of the prices for which I intend to sell my specific plants (as defined in CE Crop Provisions) and have been used in determining the maximum expected value. Also, I understand and agree that:</p> <ol style="list-style-type: none"> <li>1. Only plant categories shown in the actuarial documents are eligible for insurance.</li> <li>2. I have submitted one CEVR for each basic unit.</li> <li>3. Assure that the values reported in the MUVP are based on the maximum value of all the specific plants in each insured plant category that you expect to be in your CE each month of the crop year.</li> <li>4. For additional coverage, not all plant categories must be insured and I may elect to exclude plant categories on the CEVR.</li> <li>5. That indemnities will be based on the pre-loss unit value or the selected value in the basic unit depending on the relationship of these two values at the time of loss.</li> <li>6. Indemnities will be influenced by inventory values in a category at the time of loss and that the insured is effectively self-insuring inventory whose value exceeds the SUV.</li> <li>7. Only wholesale CE operations as defined in the policy, are eligible for coverage.</li> <li>8. I have supporting documents, such as sales or purchasing records, to support the values reported on the CEVR and will have them available for review for 3 crop years beyond the current crop year.</li> </ol>									
<b>INSERT APPLICABLE CERTIFICATION STATEMENT**</b>									
Insured's Signature					Date	Agent's Signature		Code Number	Date

## STANDARDS FOR COMPLETION OF MUVP

The following entries are required for the MUVP. The sequence of the items on the MUVP will be determined by the format selected by the AIP.

An MUVP is required for each basic unit and is included with each CEVR the insured submits.

**Note:** An MUVP is not required for a subsequent crop year if the insured certifies on the CEVR that there are no material changes to the information reported on the current year's MUVP.

For additional coverage, only plant categories that the insured elects to insure within each insured plant production practice are included in the MUVP. A MUVP for each plant category must be completed. For CAT coverage, all plant categories within an insured plant production practice must be included in this document.

### A. Identifying the Insured

- (1) Crop year.
- (2) Policy number.
- (3) Insured's name.
- (4) Street Address, City, County, State, Zip Code of each CE operation in the county.

### B. Underwriting Questions

- (1) Basic Unit number.
- (2) Applicable three-digit practice code.
- (3) Plant category.

### C. Expected Inventory Values

- (1) Each line of the table the insured identifies the monthly maximum expected value for a specific plant category. For additional coverage, make entries only for the plant category associated with this basic unit. For CAT coverage, make entries for all plant categories associated with this basic unit.
- (2) The SV shown on the CEVR is obtained from the MUVP.
- (3) The insured's SV is limited to:
  - (a) For CAT coverage, for each insured plant production practice, the lesser of:

**C. Expected Inventory Values (Continued)**

- (i) 110 percent of the maximum value for all plant categories in any given month during any of the previous three crop years; or
  - (ii) the maximum of the monthly values reported on the MUVP.
- (b) For additional coverage, for basic units, the SV may not exceed the highest maximum value for the same plant category reported on the insured's MUVP.

**Exhibit 5 Monthly Unit Value Plan (Continued)**

**Monthly Unit Value Plan, by Basic Unit-Example**

Crop Year	2024
Policy Number	100
Insured's Name	IM Insured
Street Address	XXXXXX
City, County, State, Zip	XXXXXX
Basic Unit	Unit 001
Practice	Soil

**Maximum Expected Value\***

Plant Category	Selected Value	Highest Monthly Value	June	July	August	September	October	November	December	January	February
Example - Category 5											
1											
2											
3											
4											
5	\$900,000	\$1,100,000	\$600,000	\$700,000	\$800,000	\$900,000	\$1,000,000	\$1,100,000	\$1,000,000	\$900,000	\$800,000
6											
7											
8											
9											
10											
Total											

\*The maximum value of all specific plants in each insured plant category that you expect to be in your CE operation during each month of the insurance period. Show only those categories elected for insurance.

The following entries are required for the CE Underwriting Inspection Report. The sequence of the items on the CE Underwriting Inspection Report will be determined to be the format selected by the AIP.

- (1) Complete an inspection report for each location inspected.
- (2) This report must be completed for all new applications or when the CE operation meets any criteria contained in [Paragraph 16B](#) herein and must be completed within 30 days of the applicant's signature date on the application or revised CEVR.

**A. Identifying the Insured**

- (1) crop year;
- (2) basic unit number(s);
- (3) practice for the unit;
- (4) policy number;
- (5) name of nursery and mailing address;
- (6) name of owner;
- (7) name of operator;
- (8) name of agent/agency and phone number;
- (9) legal description;
- (10) location description, including physical address; and
- (11) reason for report: See the Inspection section of this handbook.

**B. Biosecurity Self-Certification**

The biosecurity self-certification is not complete until the Underwriting Inspection Report is signed.

(See Example in [Exhibit 5](#))

**C. Irrigation for CE**

- (1) Describe in detail the irrigation water source.
  - (a) Surface water supply as a percentage of total supply.
    - (i) Irrigation district name.
    - (ii) Allocation last year as a percentage of normal usage.

**C. Irrigation for CE (Continued)**

- (iii) Expected allocation as a percentage of normal usage.
- (iv) Water impoundment. State size and how many.
- (v) Rivers/creeks. State number of months available as a supply.
- (b) Irrigation well(s) as a percentage of total supply used.
  - (i) Irrigation district name.
  - (ii) Allocation last year as a percentage of normal usage.
  - (iii) Expected allocation as a percentage of normal usage.
  - (iv) Number of wells. Gallons per minute. Other supply (include size and number).
- (2) Type of irrigation method:
  - (a) Overhead;
  - (b) Drip/Trickle System;
  - (c) Sub-irrigation; or
  - (d) Other. Explain in Remarks section of the form.

**D. Other Site Observations**

- (1) Describe in detail the fertilization program used and any special requirements by plant species.
- (2) Do any plant species show evidence of insect or disease infestation or contamination? If so, document what is being done as control measures.
- (3) Are plants being grown in appropriate growing medium according to accepted industry standards?

**E. Additional Information**

- (1) Have the plants sustained previous damage and not been destroyed? If so, describe and list in the Remarks section of the form or on a separate sheet, if additional space is needed. The name, number, size, and value of each damaged plant. Plants with damage at the time of inspection are not insurable under CE but are to be documented.
- (2) Are the previously damaged plants (uninsurable) identified and segregated?

**E. Additional Information (Continued)**

- (3) Growing location map: Sketch a map or provide an FSA aerial photo showing the growing location/facilities in detail indicating other owned or share rented locations, landmarks and CE crops grown by the insured.
- (4) State the percentage of gross income derived from plant sales from wholesale and retail sales of specific plants based on the calculation contained in [Part 2, Paragraph 11](#).  
  
“Based on the calculation above, has the CE operation derived at least 40 percent of its gross income of plant sales from the wholesale marketing of plants?” Check “Yes” or “No.” Explain and document what information was verified to determine the result of the calculation. Attach a separate sheet if necessary.
- (5) Provide additional information and comments as necessary.

**F. Inspector’s Evaluation**

- (1) The inspector’s evaluation of the management of the CE operation as to whether it is above average, average, or below average.
- (2) The inspector’s evaluation of the CE facilities, operation, and adherence to good production practices as to whether it is above average, average, or below average.
- (3) Inspector’s recommendation as to accept, reject, or refer to AIP representative.

**G. Signatures**

- (1) Inspector signs and dates on the date of inspection.
- (2) AIP supervisor signs and dates on the date received and evaluated.
- (3) Insured signs and dates on the date of inspection, acknowledging any uninsurable specific plants due to existing damage and not destroyed at the time of inspection.

**Exhibit 6 CE Underwriting Inspection Report (Continued)**

CONTROLLED ENVIRONMENT UNDERWRITING INSPECTION REPORT EXAMPLE			
(Complete one report per practice and location)			
CROP YEAR	BASIC UNIT NUMBER(s)	PRACTICE	POLICY NUMBER
NAME OF CE AND MAILING ADDRESS	NAME OF OWNER		NAME OF OPERATOR
	NAME OF AGENT/AGENCY		LEGAL DESCRIPTION:
	Phone No. ( )		
LOCATION DESCRIPTION (include physical address):			
SITE INFORMATION			
Describe the CE structures used to grow the specific plants.			
IRRIGATION PRACTICE			
Describe in detail the irrigation water source.			
Surface: ____% of total supply		Irrigation Well(s): ____% of total supply	
(1) Irrigation district name _____		(1) Irrigation district _____	
(2) Allocation last year: ____% of normal		(2) Allocation last year: ____% of normal	
(3) Expected allocation: ____% of normal		(3) Expected allocation: ____% of normal	
(4) Water Impoundment: Size _____ How many _____		4) Number of Wells: _____ Gallons per minute _____	
(5) Rivers/Creeks: _____ Number of months available		Other: Size and number _____	
Type of Irrigation Method: Overhead _____ Drip or Trickle System _____ Other _____			
Describe in detail the fertilization program used for the CE operation's structures. Include any specialized requirements required by species (attach additional sheets as necessary).			
Describe in detail weed control measures used for the CE operation's structure.			
Describe in detail wildlife control measures at the CE operation's structure.			
Do any plant species show evidence of insect or disease infestation? If evidence of disease is observed, describe in detail and document what is being done to control the disease. Attach additional sheets as necessary.			
Are plants being grown in appropriate growing medium according to accepted industry standards?			
Are there previously infected plants that have not been destroyed? Are they identified and segregated from insurable plants? Such as:			
Does the CE operation structure(s) where plants are grown, contain all necessary items to control the growing environment?			
(a) Temperature Control		(b) Irrigation System	
(c) Structure fully enclosed		(d) Light control	

**Exhibit 6 CE Underwriting Inspection Report (Continued)**

**CONTROLLED ENVIRONMENT UNDERWRITING INSPECTION REPORT EXAMPLE (Continued)**

Unit location map:	Prepare a CE location map. Draw in CE I unit locations with identifying buildings, roads and landmarks.				
	Is a hand sketched map attached?				
	Is an FSA aerial photo attached?				
Remarks:					
Additional information and comments:					
Your evaluation of the management of this operation:	ABOVE AVERAGE		AVERAGE		BELOW AVERAGE
Your evaluation of the CE operation.					
Action recommended to accept or reject:					
Acceptance		Rejection		RO Field Review	
AIP Representative					
Certified Inspector	Date	Supervisor		Date	
Insert applicable insured's certification statements here					
Insured's Signature					Date

**Exhibit 6 CE Underwriting Inspection Report (Continued)**

The Bio-Security Self-Certification is Part B of the CE Underwriting Inspection Report.

<b>Biosecurity steps</b>	<b>Definitions</b>	<b>Questions</b>	<b>Y/N</b>
Potential Hazards and Risk	A hazard is an identified area or process that could potentially introduce a pest or pathogen.	Have hazards been identified?	<b>Y/N</b>
Identified Risks	Use risk rating to determine your resource needs. When rating risk, consider occurrence (how likely will it happen), regulation (for the potential pest introduction) and severity (what are the consequences if a pest is introduced).	Have risks been identified?	<b>Y/N</b>
Identified Critical Control Point	Determine Critical Control Points. Where do risks and hazards exist in the production timeline? Where and/or when is it appropriate to apply the good production practices to mitigate risks?	Has operation identified Critical Control Points?	<b>Y/N</b>
Good Production Practices	Determine the steps you are going to take to address and/or mitigate the hazard/risk at the critical control point. These are good production practices consistent with requirements for insurability.	Has operation identified the good production practices to take that mitigate the identified risks?	<b>Y/N</b>
Internal procedures and protocols	List or describe any internal procedures your operation may use or need for good production practices (e.g., sanitation, mitigation, and scouting procedures).	Has operation identified internal procedures for good production practices?	<b>Y/N</b>
External protocols and documents	List any other procedures or documents that you may have used to determine the good production practices. (Regulatory requirements, compliance agreements, internal quality management procedures, extension information are examples.)	Has operation identified external documents and steps for good production practices?	<b>Y/N</b>
Responsibilities	List employees in charge of good production practices steps and employees in control of each step.	Has operation identified the employees who are required to implement and monitor good production practices?	<b>Y/N</b>
Training requirements	Define the training requirements for employees that implement good production practices?	Has operation identified training for good production practices and employees' roles in it?	<b>Y/N</b>
Record Requirements	List the records your CE operation may use to document the good production practices were completed (e.g., activity logs, training date records, copies of training materials, and/or guides).	Are records available that support their good production practices plan?	<b>Y/N</b>

**Exhibit 7      Controlled Environment Catalog Checklist**

---

**Controlled Environment Catalog Checklist**

Crop Year: \_\_\_\_\_

Date of Review: \_\_\_\_\_

Policyholder: \_\_\_\_\_

Carryover Insured or New Insured: \_\_\_\_\_

State: \_\_\_\_\_

County: \_\_\_\_\_

Policy Number: \_\_\_\_\_

CE Name on Catalog (if different than insured name): \_\_\_\_\_

Agent Name (not agency name): \_\_\_\_\_

Servicing Company (AIP): \_\_\_\_\_

I have reviewed the attached, above-referenced catalog. For each minimum requirement, a “Y” indicates the minimum requirement has been met and “N” indicates the minimum requirement has not been met.

If an “N” is entered for one or more requirements in 1-5 below, the catalog is returned to the insured with written notice that the application for insurance is refused because the inventory or catalog is not acceptable.

If a “Y” is entered for all requirements 1-5, one (1) copy of the catalog and a copy of this checklist are sent to the RO.

This catalog:

1. \_\_\_ Is typewritten/printed and legible.
2. \_\_\_ Shows an issue date on the cover page.  
Enter issue date: \_\_\_\_\_
3. \_\_\_ Contains the name, address (excluding PO boxes), and phone number of the CE operation.
4. \_\_\_ Is provided to customers and used in the sale of plants.
5. \_\_\_ Lists each plant’s name, plant or container size, and wholesale price.
6. \_\_\_ Date the catalog was received is documented on catalog and checklist.

Enter date received: \_\_\_\_\_

**Exhibit 7      Controlled Environment Catalog Checklist (Continued)**

---

\_\_\_\_\_  
Name and Title of AIP Reviewer

\_\_\_\_\_  
Date

\_\_\_\_\_  
AIP Reviewer Email Address

\_\_\_\_\_  
AIP Reviewer Phone Number