Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. For this action the Office of Management and Budget has waived its review process required by Executive Order 12866.

This interim rule amends the Medfly regulations by removing an area in Polk County, FL, from quarantine for Medfly. This action affects the interstate movement of regulated articles from this area. There are approximately 31 small entities that could be affected, including 7 fruit stands, 10 food stores, 1 transporter, 9 commercial growers, and 4 processing plants.

These small entities comprise less than 1 percent of the total number of similar small entities operating in the State of Florida. In addition, most of these small entities sell regulated articles primarily for local intrastate, not interstate movement, and the sale of these articles would not be affected by this interim rule.

Therefore, this action should have a minimal economic effect on the small entities operating in the area of Polk County that has been quarantined because of Medfly. We anticipate that the economic impact of lifting the quarantine, though positive, will be no more significant than was the minimal impact of its imposition.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

Executive Order 12372

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V.)

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. This rule: (1) Preempts all State and local laws and regulations that are inconsistent with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This rule contains no new information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 7 CFR Part 301

Agricultural commodities, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Transportation.

Accordingly, 7 CFR part 301 is amended as follows:

PART 301—DOMESTIC QUARANTINE NOTICES

1. The authority citation for part 301 continues to read as follows:

Authority: 7 U.S.C. 147a, 150bb, 150dd, 150ee, 150ff, 161, 162, and 164–167; 7 CFR 2.22, 2.80, and 371.2(c).

2. In § 301.78–3, paragraph (c), the entry for Florida is revised to read as follows:

§ 301.78-3 Quarantined areas.

(c) * * * * * *

FLORIDA

Hillsborough County. That portion of Hillsborough County beginning at the intersection of I-75 and the Hillsborough/Pasco County line; then west along the Hillsborough/Pasco County line to the section line dividing sections 5 and 6, T. 27 S., R. 18 E.; then south along the section line dividing sections 5 and 6, T. 27 S., R. 18 E. to Veterans Expressway; then south along Veterans Expressway to Erhlich Road; then west along Erhlich Road to Gunn Highway; then north along Gunn Highway to Mobley Road; then west along Mobley Road to Racetrack Road; then southwest along Racetrack Road to the Pinellas/Hillsborough County line; then south along the Pinellas/ Hillsborough County line to I-275; then east along I-275 to the western most land mass at the eastern end of the Howard Franklin Bridge; then along an imaginary line along the shoreline of the Old Tampa Bay, Tampa Bay, and Hillsborough Bay (including the Interbay Peninsula, Davis Island, Harbour Island, Hooker's Point, and Port Sutton) to the northern shoreline of the Alafia River's extension; then east along the northern shoreline of the Alafia River to I-75; then north along I-75 to the point of beginning.

Done in Washington, DC, this 14th day of November 1997.

Craig A. Reed,

Acting Administrator, Animal and Plant Health Inspection Service. [FR Doc. 97–30506 Filed 11–19–97; 8:45 am] BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation

7 CFR Parts 416 and 457

Pea Crop Insurance Regulations; and Common Crop Insurance Regulations, Green Pea Crop Insurance Provisions

AGENCY: Federal Crop Insurance Corporation, USDA. **ACTION:** Final rule.

SUMMARY: The Federal Crop Insurance Corporation (FCIC) finalizes specific crop provisions for the insurance of green peas. The provisions will be used in conjunction with the Common Crop Insurance Policy Basic Provisions, which contain standard terms and conditions common to most crops. The intended effect of this action is to provide policy changes to better meet the needs of the insured, separate green peas and dry peas into separate crop insurance provisions, include the current pea crop insurance regulations with the Common Crop Insurance Policy for ease of use and consistency of terms, and to restrict the effect of the current pea crop insurance regulations to the 1997 and prior crop years. **EFFECTIVE DATES:** December 22, 1997.

FOR FURTHER INFORMATION CONTACT: Louise Narber, Insurance Management Specialist, Research and Development, Product Development Division, Federal Crop Insurance Corporation, United States Department of Agriculture, 9435 Holmes Road, Kansas City, MO 64131, telephone (816) 926–7730.

SUPPLEMENTARY INFORMATION:

Executive Order No. 12866

The Office of Management and Budget (OMB) has determined this rule to be exempt for the purposes of Executive Order No. 12866, and, therefore, this rule has not been reviewed by OMB.

Paperwork Reduction Act of 1995

Under the Paperwork Reduction Act of 1995 [44 U.S.C. chapter 35], collections of information have been approved by the Office of Management and Budget (OMB) under control number 0563–0053.

Unfunded Mandates Reform Act of 1995

Title II of the Unfunded Mandates Reform Act of 1995 (UMRA), Public Law 104–4, establishes requirements for Federal agencies to assess the effects of their regulatory actions on State, local, and tribal governments and the private sector. This rule contains no Federal mandates (under the regulatory provisions of title II of the UMRA) for State, local, and tribal governments or the private sector. Therefore, this rule is not subject to the requirements of sections 202 and 205 of the UMRA.

Executive Order No. 12612

It has been determined under section 6(a) of Executive Order No. 12612, Federalism, that this rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment. The provisions contained in this rule will not have a substantial direct effect on states or their political subdivisions, or on the distribution of power and responsibilities among the various levels of government.

Regulatory Flexibility Act

This regulation will not have a significant economic impact on a substantial number of small entities. The amount of work required of insurance companies will not increase because the information used to determine eligibility is already maintained at their office and the other information required is already being gathered as a result of the present policy. No additional actions are required as a result of this action on the part of either the producer or the reinsured company. Additionally, the regulation does not require any action on the part of the small entities than is required on the part of the large entities. Therefore, this action is determined to be exempt from the provisions of the Regulatory Flexibility Act (5 U.S.C. 605), and no Regulatory Flexibility Analysis was prepared.

Federal Assistance Program

This program is listed in the Catalog of Federal Domestic Assistance under No. 10.450.

Executive Order No. 12372

This program is not subject to the provisions of Executive Order No. 12372, which require intergovernmental consultation with State and local officials. See the Notice related to 7 CFR part 3015, subpart V, published at 48 FR 29115. June 24, 1983.

Executive Order No. 12988

This final rule has been reviewed in accordance with Executive Order No. 12988 on civil justice reforms. The provisions of this rule will not have a retroactive effect prior to the effective date. The provisions of this rule will preempt State and local laws to the extent such State and local laws are inconsistent herewith. The administrative appeal provisions published at 7 CFR part 11 must be

exhausted before any action for judicial review may be brought.

Environmental Evaluation

This action is not expected to have a significant impact on the quality of the human environment, health, and safety. Therefore, neither an Environmental Assessment nor an Environmental Impact Statement is needed.

National Performance Review

This regulatory action is being taken as part of the National Performance Review Initiative to eliminate unnecessary or duplicative regulations and improve those that remain in force.

Background

On Thursday, May 1, 1997, FCIC published a proposed rule in the **Federal Register** at 62 FR 23680 to add to the Common Crop Insurance Regulations (7 CFR part 457), a new section, 7 CFR 457.137, Green Pea Crop Insurance Provisions. The new provisions will be effective for the 1998 and succeeding crop years. These provisions will replace and supersede the current provisions for insuring green peas found at 7 CFR part 416 (Pea Crop Insurance Regulations). FCIC also amends 7 CFR part 416 to limit its effect to the 1997 and prior crop years.

Following publication of the proposed rule, the public was afforded 30 days to submit written comments and opinions. A total of 58 comments were received from an insurance service organization, a reinsured company, a crop insurance agent, and a food corporation. The comments received, and FCIC's responses are as follows:

Comment: An insurance service organization recommended that several definitions common to most crops be put into the Basic Provisions.

Response: The Basic Provisions, which are currently in the regulatory review process, will include definitions of commonly used terms, and this rule will be revised to delete these definitions when the Basic Provisions are published as a final rule.

Comment: An insurance service organization recommended that the sentence in the definition of "bypassed acreage" that states "Bypassed acreage upon which an indemnity is payable will be considered to have a zero yield for Actual Production History (APH) purposes" be deleted since it is addressed elsewhere and does not belong in the definition.

Response: FCIC has deleted the second sentence from, and revised, the definition of bypassed acreage. Provisions have been added in section

3 to explain bypassed acreage when determining approved yield.

Comment: An insurance service organization questioned whether dry pea varieties were shell type or pod type peas.

Response: The definition of green peas specifies that it may be shell or pod type. The definition of "dry peas" has been revised to clarify the distinction between green and dry peas.

Comment: An insurance service organization recommended that the definition of "final planting date" be revised to delete the phrase "for the full production guarantee" since the late planting provisions are not applicable.

Response: The proposed recommendation has not been made because late planting coverage will be available if allowed by the Special Provisions and the producer provides written approval from the processor by the acreage reporting date that it will accept the production from the late planted acreage.

Comment: An insurance service organization and a reinsured company expressed concern with the definition of "good farming practices" which makes reference to "cultural practices generally in use in the county * * recognized by the Cooperative State

generally in use in the county * * * recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county." The commenters questioned whether cultural practices that are not explicitly recognized (or possibly known) by the Cooperative State Research, Education, and Extension Service might exist. The commenters indicated that the term "county" in the definition of "good farming practice" should be changed to "area." The insurance service organization also recommended adding the word "generally" before "recognized by the Cooperative State Research,

Response: The Cooperative State Research, Education, and Extension Service (CSREES) recognizes farming practices that are considered acceptable for producing green peas. If a producer is following practices currently not recognized as acceptable by the CSREES, such recognition can be sought by interested parties. Use of the term "generally" will only create an ambiguity and make the definition more difficult to administer. Although the cultural practices recognized by the CSREES may only pertain to specific areas within a county, the actuarial documents are on a county basis. Therefore, no change has been made.

Education, and Extension Service

Comment: An insurance service organization questioned if the definition

of "peas" was intended to include both

"dry" and "green" peas.

Response: The definition of "peas" includes both green and dry peas. The definition of "peas" has been revised to include green or dry peas.

Comment: An insurance service organization recommended that the definition of "replanting" be clarified by inserting "green pea" between the last two words ("successful" and "crop") of the sentence.

Response: To be consistent with language contained in the proposed rule of the Basic Provisions, FCIC has revised the definition to clarify that "replanting" is performing the cultural practices necessary to prepare the land to replace the seed of the damaged or destroyed crop and then replacing the seed in the insured acreage.

Comment: An insurance service organization recommended that section 2(c) of the proposed rule clarify whether optional units are available if the processor contract stipulates the number of contracted acres, or only if the contract does not specify an amount of

production.

Response: FCIC agrees and has amended section 2(a) to clarify that for processor contracts that stipulate a specific amount of production to be delivered, the basic unit will consist of all acreage planted to the insured crop in the county that will be used to fulfill the processor contract, and optional units will not be established. The language in section 2 has also been revised and reformatted to clearly state the requirements for both the acreage based and production based processor contracts.

Comment: An insurance service organization, a reinsured company, an insurance agent, and a food corporation recommended that unit division by green pea type remain as an option. The commenters stated that: (1) Unit division by early, mid and late-season green peas is the only unit division option available in many areas other than share or farm serial number; (2) it would complicate loss adjustment if a claim on an early-season variety had to be deferred until the late-season variety was harvested; (3) productivity varies between types (as has been defined as requiring a specific amount of heat units for maturity during a normal growing season); and (4) growing early and lateseason green peas are two separate operations. The early-season green peas are planted in April and early May and thrive on the cooler temperatures. They are harvested in June and avoid the heat of early summer. This early harvest allows the producer the option of planting a full season crop after the peas

are harvested. The early-season peas are lower yielding and are priced less on processor contracts. Late-season green peas are full season, higher yielding, and priced much higher to allow the producer a return competitive with other full season crops.

Response: As new varieties of green peas have been developed and the original types intermixed, it has become more and more difficult to define the type of green pea into which a variety falls. Due to the need for consistency among regions and crops, FCIC has determined to delete units by type for early, mid, and late season green peas or by planting date.

Comment: An insurance service organization and a reinsured company questioned the distinction between "shell" and "pod" type peas and questioned what would be accomplished by providing optional units by shell or pod type peas. The commenter also asked how shell and pod type peas will be identified.

Response: Shell type peas are defined as green peas that are shelled prior to eating, canning, or freezing. Pod type peas are defined as green peas intended to be eaten without shelling (e.g., snap peas, snow peas, and Chinese peas). Pod type and shell type peas are grown for a different purpose and a different market. Because of the clear distinction between these types of peas, the provisions have been amended to allow optional unit division for shell type and pod type green peas.

Comment: An insurance service organization and a reinsured company expressed concern that FSA has consolidated all land under the same ownership into one Farm Serial Number wherever possible in the Northeast states, which serves as a deterrent to the purchase of buy-up coverage by the larger, successful producer.

Response: Depending on the processor contract terms, optional units are available by section, section equivalent, FSA Farm Serial Number, irrigated and non-irrigated practice, or by shell type and pod type green peas.

Comment: An insurance service organization recommended revising section 2(f)(1) of the proposed rule to read "You must have provided records by the production reporting date, which can be independently verified, * * *." They stated that this would eliminate the potential for misinterpretation that the policyholder qualifies for separate optional units simply by listing them on the acreage report and having records available at home.

Response: Producers do not have to provide records by the production reporting date. Producers report

production and acreage information by the production reporting date and only provide records which can be independently verified when requested by the insurance provider. Therefore, no change has been made.

Comment: A reinsured company questioned whether verification of production from an optional unit using "measurement of stored production," as specified in section 2(f)(3) of the proposed rule applies to green peas.

Response: Green peas are not put into storage before processing. Therefore, FCIC has removed this provision.

Comment: An insurance service organization recommended removal of the opening phrase in section 2(f)(4)(ii) of the proposed rule that states "In addition to, or instead of, establishing optional units by section, section equivalent or FSA Farm Serial Number, * * *" since section 2(f)(4) of the proposed rule specifies that "Each optional unit must meet one or more of the following criteria, * * * ""

Response: FCIC agrees and has revised section 2(b)(5) of the final rule

accordingly.

Comment: An insurance service organization questioned if the standard language in section 3(a) of the proposed rule which allows the producer to select only one price election for all the green peas in the county insured under this policy unless the Special Provisions provide different price elections by type, in which case the producer may select one price election for each green pea type designated in the Special Provisions, refers to the current early, mid, and late-season types or to the shell and pod types specified in the proposed rule. They also emphasized that the price election for green peas is a percentage of the contract price. As some producers contract with more than one processor, the contract prices may be different, and it would not be possible to limit them to one "price" by

type, only to one "percentage."

Response: FCIC agrees and has revised section 3(a) to specify

percentages.

Comment: An insurance service organization recommended that the provision in section 3(b) of the proposed rule, that addressed the weight of the shelled peas as the basis for loss adjustment calculations, APH yields, and the guarantee, be moved to section 12(c)(2).

Response: FCIC believes that the provisions in section 3(b) of the proposed rule are being misinterpreted. The harvesting equipment removes the peas from the pods of shell type peas prior to delivery to the processor. In addition, the APH yield and guarantee

are based on the yield after the tenderometer reading, grade factor, or sieve size is taken into consideration. Therefore, section 3(b) of the proposed rule has been deleted.

Comment: An insurance service organization stated that February 15 seems early for the cancellation and termination dates for Delaware and Maryland. They stated that the date table has a March 15 sales closing date for these states and questioned if the 1998 date would be a month earlier and, if so, why.

Response: The sales closing date contained in the Special Provisions for these states was February 15 for the 1996 and 1997 crop years, not March 15. That date is set by statute. The cancellation and termination dates for all crops are being changed to correspond with the sales closing date. Therefore, no change has been made.

Comment: An insurance service organization stated that language in section 6 requiring the producer to provide a copy of the processor contract no later than the acreage reporting date could provide a loophole by allowing producers to wait until acreage reporting time to decide if they want coverage.

Response: There is no evidence that allowing the producer to provide a copy of the processor contract as late as the acreage reporting date has resulted in producers waiting to decide until the acreage reporting date if they want coverage. Green pea producers usually have a processor contract in-force by the final planting date. The requirement to provide a copy of the processor contract with the acreage report is convenient for the producer. Therefore, no change has been made.

Comment: An insurance service organization questioned whether any processor contract would allow interplanted green peas or green peas planted into an established grass or legume. The commenter further indicated that consideration should be given to inserting the language in section 7(a)(4) of the proposed rule into the Basic Provisions.

Response: FCIC agrees that processing green peas has seldom, if ever, been interplanted with another crop or planted into an established grass or legume. However, production practices are constantly evolving. FCIC chooses to retain the provisions of section 7(a)(3) of the final rule to accommodate such developments if they should occur. In addition, the interplanted language is not consistent among the crop policies and, therefore, will be retained in the crop provisions.

Comment: An insurance service organization indicated that language in section 7(b) that states "You will be considered to have a share in the insured crop if, under the processor contract, you retain possession of the acreage on which the green peas are grown, * * *" suggests that only a landlord would have a share in the insured crop. The commenter questioned whether the provision in section 7(b) is already covered in sections 7(a)(1) and (3) of the proposed rule.

Response: The language in section 7(b) was intended to cover producers who have a crop share agreement, rent, or own acreage. The word "possession" has been changed to "control" for clarification. Section 7(a) specifies requirements for insurance coverage on the crop, while section 7(b) specifies requirements for an insurable share in the crop. Therefore, both provisions are necessary.

Comment: An insurance service organization and a reinsured company questioned whether the provision in section 9(b), which states that the insurance period ceases on the date sufficient production is harvested to fulfill the producer's processor contract, conflicts with the provision in section 12(a), that states "We will determine your loss on a unit basis." The commenters questioned whether production to count from an appraisal prior to harvest would be included when determining fulfillment of the processor contract. The insurance service organization questioned whether the insured would know when enough production is harvested to fulfill the processor contract. This commenter asked if production exceeding the contracted amount is considered production to count for APH or loss adjustment or whether the processor settlement sheet is the only acceptable record. The insurance service organization noted that the provisions in section 9(b) state "* * * the insurance period ends when the production delivered to the processor equals the amount of production stated in the green pea contract." However, the commenter questioned whether "delivered to" is the same as "accepted

Response: Section 9(b) does not conflict with section 12(a). For processor contracts based on a stated amount of production, FCIC is only insuring the contract amount and the producer can only obtain basic units by processor contract. Therefore, once the contract is fulfilled, insurance ceases on the unit and there is no payable loss. If the contract is not fulfilled and there is

by" the processor.

still unharvested production, any insurable cause of loss is covered. With respect to the issue of production from appraised acreage, such production will not count toward fulfillment of the processor contract, although it may be used to determine production to count for the unit or the producer's approved yield if the acreage is not bypassed due to an insurable cause of loss that renders such production unacceptable to the processor. With respect to when the producer would know when the processor contract was fulfilled, records are kept as production is delivered to the processor. Therefore, the producer can determine when the contract was fulfilled. All production from the unit, including any excess of the amount stated in the contract, will be considered as production to count when determining the producer's approved yield. For the purposes of loss adjustment, the amount shown on the settlement sheet, plus any appraised production that was not bypassed due to an insurable cause that rendered the production unacceptable to the processor, will be included as production to count. FCIC has revised section 9(b) to clarify that insurance ceases when the contract is fulfilled if the processor contract stipulates a specific amount of production.

Comment: An insurance service organization stated that September 15 is too early for the end of insurance coverage for dry peas and that the change to September 30 must be incorporated into the dry pea provisions as well.

Response: The dry pea and green pea provisions are now separate provisions with different dates. The insured crop under these provisions is green peas. If the green peas will be harvested as dry peas, insurance coverage will end on September 30 but only if notice was provided in accordance with section 11(d).

Comment: An insurance service organization stated that they received one comment stating that the provision in section $10(a)(1)(ii\bar{j})$ of the proposed rule, which states that abnormally hot or cold temperatures that result in bypassed acreage because an unexpected number of acres over a large producing area are ready for harvest at the same time, and the total production is beyond the normal capacity of the processor to timely harvest or process, should be eliminated because it provides a loophole that can easily be abused when the processor has contracted too many acres.

Response: The comment does reveal an opportunity for an abuse. Therefore, the provision has been clarified.

Comment: An insurance service organization questioned the provision in section 10(a)(4), which states that insurance is provided against "Plant disease on acreage not planted to peas the previous crop year * * *." The commenter assumed this would apply even if a rotation requirement was not specified in the Special Provisions.

Response: This provision has been revised to specify that insurance coverage will be provided against plant disease on acreage not planted to the peas the previous crop year unless provided for in the Special Provisions or by written agreement, but not damage due to insufficient or improper application of disease control measures.

Comment: An insurance service organization suggested changing the wording in section 10(a)(8) to eliminate the reference to 10(a)(1) through (7) and state "Failure of the irrigation water supply, if due to an insured cause of loss."

Response: Referencing 10(a)(1) through (7) makes it clear that failure of the irrigation water supply must be due to these specific causes of loss.

Therefore, no change has been made.

Comment: An insurance service organization questioned how the provision in section 10(b)(1)(ii), which states that insurance coverage is not provided if acreage is bypassed based on the availability of a crop insurance payment, is to be enforced.

Response: The adjuster should be able to make this determination based on various factors such as if a harvest pattern exists that clearly indicates the processor is bypassing producers with crop insurance coverage in favor of producers without crop insurance even though the quality of the crop is similar. Language has been added to state that an indemnity will be denied or have to be repaid if it is determined that bypassed acreage was due to the availability of a crop insurance payment.

Comment: An insurance service organization questioned a discrepancy between section 9(b) of the proposed rule, which states that insurance ceases on "The date you harvested sufficient production to fulfill your processor contract," and section 10(b)(5) of the proposed rule which states that loss of production will not be insured if "Due to damage that occurs to unharvested production after you deliver the production required by the processor contract." The commenter indicated that this provision is not necessary since any damage occurring after delivery would be outside the insurance period as indicated in section 9(b).

Response: FCIC agrees with the insurance service organization and has deleted section 10(b)(5).

Comment: An insurance service organization stated that the language in section 11(c) does not address timely notice if damage is discovered less than 15 days prior to harvest.

Response: FCIC has revised section 11(c) to clarify that an immediate notice of loss is required if damage is discovered within 15 days prior to harvest or during harvest.

Comment: An insurance service organization stated that section 12(b), which explains how a claim is settled, is too wordy and difficult to follow.

Response: This section has been revised to clarify the settlement of claims calculation, including the addition of an example.

Comment: An insurance service organization indicated that payments by the processor for bypassed acreage should be considered to have value to count as is done with salvaged grains.

Response: There is nothing in this policy which precludes a producer from obtaining any other form of insurance against losses as long as such insurance is not under the Federal Crop Insurance Act. Since the processor and producer contribute to the unharvested acreage pool, such payment will not be considered when determining production to count.

Comment: An insurance service organization stated that section 12(c)(1)(iii) of the proposed rule should not allow the insured to defer settlement and wait for a later, generally lower, appraisal, especially on crops that have a short "shelf life."

Response: A later appraisal will only be necessary if the company and the insured do not agree on the appraisal or if the company believes that the crop needs to be carried further. The producer must continue to care for the crop. If the producer does not continue to care for the crop, the original appraisal will be used. Therefore, no change has been made.

Comment: A reinsured company and an insurance service organization stated that section 12(c)(2) of the proposed rule which reads "The amount of such production will be determined by dividing the dollar amount as required by the contract for the quality and quantity of the peas delivered to the processor by the base contract price per pound;" is difficult to understand.

Response: This provision which specifies the "dollar amount as required by the contract for the quality and quantity of the peas delivered to the processor * * *" accounts for variations in the contract price for the

tenderometer reading, grade factor, or sieve size of the delivered peas. The language has been clarified.

Comment: An insurance service organization and a reinsured company questioned if late and prevented planting provisions would be available for green peas. A crop insurance agent and a food corporation stated that late planting provisions should be available for green peas. Green pea producers plant according to heat units to provide a planting and harvesting schedule so that a processor can harvest uniformly during the growing season. Current varieties planted late can tolerate higher temperature extremes and do not pose unreasonable productivity risks nor does it impact the processor's ability to timely harvest and process the green peas. Producers need a good risk management program.

Response: A late planting period for green peas may be appropriate for some growing areas. Therefore, section 13 is revised to provide a late planting period if allowed by the Special Provisions and the insured provides written approval from the processor by the acreage reporting date that it will accept the production from the late planted acreage. Prevented planting provisions will also be added if available in the Basic Provisions.

Comment: An insurance service organization and a reinsured company recommended removal of the requirement that written agreements be renewed each year if there are no significant changes to the farming operation. The insurance service organization stated that section 14(d) should perhaps refer to the date specified in the agreement instead of limiting the agreement for one year. An insurance service organization recommended that section 14 be put into the Basic Provisions.

Response: Written agreements are intended to supplement policy terms or permit insurance in unusual situations that require modification of the otherwise standard insurance provisions. If such practices continue year to year, they should be incorporated into the policy or Special Provisions. It is important to minimize written agreement exceptions to assure that the insured is well aware of the specific terms of the policy. Therefore, no change will be made to the requirement that written agreements be renewed each year. FCIC has proposed that the Written Agreement provisions be included in the Basic Provisions.

In addition to the changes described above, FCIC has made minor editorial changes and has amended Green Pea Crop Insurance Provisions as follows:

- 1. Amended and clarified the paragraph preceding section 1 to include the Catastrophic Risk Protection Endorsement.
- 2. Section 1—Added a definition of "approved yield," and amended the definitions of "base contract price," "bypassed acreage," "pod type," "processor," "processor contract," "replanting," and "shell type" for clarity. The definition of "practical to replant" is amended to clarify that it will not be considered practical to replant unless the acreage can produce at least 75 percent of the approved yield and the processor agrees in writing that it will accept the production from the replanted acreage. The definition of "processor contract" is amended to clarify that multiple contracts with the same processor that specify amounts of production will be considered as a single processor contract unless the contracts are for different types of green peas.
- 3. Section 2—Removed the reference to "written agreement" in section 2(b) of the proposed rule and added "written agreement" in section 2(b)(5) of the final rule to clarify which provisions may be revised by written agreement.
- 4. Section 7—Removed section 7(a)(2) of the proposed rule. This provision is not necessary since section 7(a)(3) of the proposed rule stated that the green peas must be grown under, and in accordance with, the requirements of a processor contract. If grown under a processor contract, the green peas will be canned or frozen. Section 7(c) is amended for clarity.
- 5. Section 9(a)(2)—Clarified that the insurance period ends when the green peas should have been harvested but were not harvested.
- 6. Section 10—Amended section 10(a) for clarity. Section 10(b) is reformatted and amended for clarity. Also, removed section 10(b)(3) of the proposed rule which stated "Due to green peas not being timely harvested unless such delay in harvesting is solely and directly due to an insured cause of loss;" because it is unnecessary.
- 7. Section 11—Clarified that the insured must give notice of loss within 3 days after the date harvest should have started if the acreage will not be harvested. The insured must also provide documentation stating why the acreage was bypassed.
- 8. Section 12—A new section 12(c)(3) of the final rule is added to clarify that appraised production will include all harvested production from any other insurable units that have been used to fill the processor contract for a unit. Section 12(d) of the proposed rule is

deleted because of duplication with section 12(c)(2).

9. Section 14—Clarified that only terms of this policy that are specifically designated for the use of written agreements may be altered by written agreement if the listed conditions are met.

List of Subjects in 7 CFR Parts 416 and 457

Crop insurance, Green pea, Pea crop insurance regulations.

Final Rule

Accordingly, for the reasons set forth in the preamble, the Federal Crop Insurance Corporation hereby amends 7 CFR parts 416 and 457, as follows:

PART 416—PEA CROP INSURANCE REGULATIONS FOR THE 1986 THROUGH 1997 CROP YEARS

1. The authority citation for 7 CFR part 416 is revised to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p).

- 2. The part heading is revised to read as set forth above.
- 3. The subpart heading "Subpart-Regulations for the 1986 and Succeeding Crop Years" is removed.
- 4. Section 416.7 is amended by revising the introductory text of paragraph (d) to read as follows:

§ 416.7 The application and policy.

(d) The application is found at subpart D of part 400, General Administrative Regulations (7 CFR 400.37, 400.38). The provisions of the Pea Insurance Policy for the 1986 through 1997 crop years are as follows:

PART 457—COMMON CROP INSURANCE REGULATIONS; REGULATIONS FOR THE 1994 AND SUBSEQUENT CONTRACT YEARS

5. The authority citation for 7 CFR part 457 continues to read as follows:

Authority: 7 U.S.C. 1506(l), 1506(p).

6. Section 457.137 is added to read as follows:

§ 457.137 Green pea crop insurance provisions.

The Green Pea Crop Insurance Provisions for the 1998 and succeeding crop years are as follows:

FCIC policies:

UNITED STATES DEPARTMENT OF AGRICULTURE

Federal Crop Insurance Corporation Reinsured policies:

(Appropriate title for insurance provider)

Both FCIC and reinsured policies Green Pea Crop Provisions

If a conflict exists among the policy provisions the order of priority is as follows: (1) the Catastrophic Risk Endorsement, if applicable; (2) the Special Provisions; (3) these Crop Provisions; and (4) the Basic Provisions (§ 457.8) with (1) controlling (2), etc.

1. Definitions.

Approved yield. The yield determined in accordance with 7 CFR part 400, subpart G.

Base contract price. The price stipulated in the processor contract for the tenderometer reading, grade factor, or sieve size that is designated in the Special Provisions, if applicable, without regard to discounts or incentives that may apply.

Bypassed acreage. Land on which production is ready for harvest but the processor elects not to accept such production so it is not harvested.

Combining (vining). Separating pods from the vines and, in the case of shell peas, separating the peas from the pod for delivery to the processor.

Days. Calendar days.

Dry peas. Green peas that have matured to the dry form for use as food, feed, or seed.

FSÅ. The Farm Service Agency, an agency of the United States Department of Agriculture, or a successor agency.

Final planting date. The date contained in the Special Provisions for the insured crop by which the crop must initially be planted in order to be insured for the full production guarantee.

Good farming practices. The cultural practices generally in use in the county for the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee and are those required by the green pea processor contract with the processing company, and recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.

Green peas. Shell type and pod type peas that are grown under a processor contract to be canned or frozen and sold for human consumption.

Harvest. Combining (vining) of the peas. Interplanted. Acreage on which two or more crops are planted in a manner that does not permit separate agronomic maintenance or harvest of the insured crop.

Irrigated practice. A method of producing a crop by which water is artificially applied during the growing season by appropriate systems and at the proper times, with the intention of providing the quantity of water needed to produce at least the yield used to establish the irrigated production guarantee on the irrigated acreage planted to the insured crop.

Nurse crop (companion crop). A crop planted into the same acreage as another crop, that is intended to be harvested separately, and which is planted to improve growing conditions for the crop with which it is grown.

Peas. Green or dry peas.

Planted acreage. Land in which seed has been placed by a machine appropriate for the insured crop and planting method, at the correct depth, into a seedbed that has been properly prepared for the planting method and production practice. Peas must initially be placed in rows. Acreage planted in any other manner will not be insurable unless otherwise provided by the Special Provisions or by written agreement.

Pod type. Green peas genetically developed to be eaten without shelling (e.g., snap peas,

snow peas, and Chinese peas).

Practical to replant. In lieu of the definition of "practical to replant" contained in section 1 of the Basic Provisions, practical to replant is defined as our determination, after loss or damage to the insured crop, based on factors including, but not limited to, moisture availability, condition of the field, time to crop maturity, and marketing window, that replanting the insured crop will allow the crop to attain maturity prior to the calendar date for the end of the insurance period. It will not be considered practical to replant unless the replanted acreage can produce at least 75 percent of the approved yield, and the processor agrees in writing that it will accept the production from the replanted acreage

Price election. In lieu of the definition of "Price election" contained in section 1 of the Basic Provisions, price election is defined as the price per pound stated in the processor contract (contracted price) for the tenderometer reading, grade factor, or sieve size contained in the Special Provisions.

Processor. Any business enterprise regularly engaged in canning or freezing green peas for human consumption, that possesses all licenses and permits for processing green peas required by the state in which it operates, and that possesses facilities, or has contractual access to such facilities, with enough equipment to accept and process contracted green peas within a reasonable amount of time after harvest.

Processor contract. A written agreement between the producer and a processor, containing at a minimum:

(a) The producer's commitment to plant and grow green peas, and to deliver the green pea production to the processor;

(b) The processor's commitment to purchase all the production stated in the processor contract; and

(c) A base contract price.

Multiple contracts with the same processor that specify amounts of production will be considered as a single processor contract unless the contracts are for different types of green peas.

Production guarantee (per acre).—The number of pounds determined by multiplying the approved actual production history yield per acre by the coverage level percentage you elect. For shell type peas, the weight will be determined after shelling.

Replanting. Performing the cultural practices necessary to prepare the land to replace the seed of the damaged or destroyed crop and then replacing the seed in the insured acreage.

Shell type. Green peas genetically developed to be shelled prior to eating, canning or freezing.

Timely planted. Planted on or before the final planting date designated in the Special Provisions for the insured crop in the county.

Written Agreement. A written document that alters designated terms of this policy in accordance with section 14.

2. Unit Division.

For processor contracts that stipulate:

- (a) The amount of production to be delivered:
- (1) In lieu of the definition of unit in section 1 of the Basic Provisions, a basic unit will consist of all acreage planted to the insured crop in the county that will be used to fulfill the processor contract;

(2) There will be no more than one basic unit for each processor contract;

- (3) In accordance with section 12, all production from any basic unit in excess of the amount under contract will be included as production to count if such production is applied to any other basic unit for which the contracted amount has not been fulfilled; and
 - (4) Optional units will not be established.
- (b) The number of acres to be planted: (1) Unless limited by the Special Provisions, a unit as defined in section 1 of the Basic Provisions (basic unit) may be divided into optional units if, for each optional unit, you meet all the conditions of this section. Basic units may not be divided into optional units on any basis other than

as described in this section;

- (2) If you do not comply fully with these provisions, we will combine all optional units that are not in compliance with these provisions into the basic unit from which they were formed. We will combine the optional units at any time we discover that you have failed to comply with these provisions. If failure to comply with these provisions is determined to be inadvertent, and the optional units are combined into a basic unit, that portion of the additional premium paid for the optional units that have been combined will be refunded to you;
- (3) All optional units you selected for the crop year must be identified on the acreage report for that crop year;
- (4) The following requirements must be met for each optional unit:
- (i) You must have records, which can be independently verified, of planted acreage and production for each optional unit for at least the last crop year used to determine your production guarantee;

(ii) You must plant the crop in a manner that results in a clear and discernible break in the planting pattern at the boundaries of

each optional unit; and

(iii) You must maintain records of marketed production from each optional unit maintained in such a manner that permits us to verify the production from each optional unit, or the production from each unit must be kept separate until loss adjustment is completed by us; and

(5) Each optional unit must meet one or more of the following criteria, as applicable, unless otherwise specified by written

agreement:

(i) Optional Units by Section, Section Equivalent, or FSA Farm Serial Number: Optional units may be established if each optional unit is located in a separate legally identified section. In the absence of sections, we may consider parcels of land legally identified by other methods of measure, such as Spanish grants, as the equivalent of

sections for unit purposes. In areas that have not been surveyed using sections or their equivalent systems or in areas where such systems exist but boundaries are not readily discernible, each optional unit must be located in a separate farm identified by a single FSA Farm Serial Number.

(ii) Optional Units on Acreage Including Both Irrigated and Non-Irrigated Practices: Optional units may be based on irrigated acreage and non-irrigated acreage if both are located in the same section, section equivalent, or FSA Farm Serial Number. To qualify as separate irrigated and non-irrigated optional units, the non-irrigated acreage may not continue into the irrigated acreage in the same rows or planting pattern. The irrigated acreage may not extend beyond the point at which the irrigation system can deliver the quantity of water needed to produce the yield on which the guarantee is based, except the corners of a field in which a center-pivot irrigation system is used will be considered as irrigated acreage if separate acceptable records of production from the corners are not provided. If the corners of a field in which a center-pivot irrigation system is used do not qualify as a separate non-irrigated optional unit, they will be a part of the unit containing the irrigated acreage. Nonirrigated acreage that is not a part of a field in which a center-pivot irrigation system is used may qualify as a separate optional unit provided that all requirements of this section

(iii) Optional Units on Acreage Including Both Shell Type Green Peas and Pod Type Green Peas: Optional units may be established based on shell type green peas and pod type green peas. To qualify as separate shell type and pod type optional units, the shell type acreage may not continue into the pod type acreage in the same rows or planting pattern.

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

In addition to the requirements of section 3 of the Basic Provisions:

- (a) You may select only one price election for all the green peas in the county insured under this policy unless the Special Provisions provide different price elections by type. The percentage of the maximum price election you choose for one type will be applicable to all other types insured under this policy.
- (b) The appraised production from bypassed acreage that could have been accepted by the processor will be included when determining your approved yield.
- (c) Acreage that is bypassed because it was damaged by an insurable cause of loss will be considered to have a zero yield when determining your approved yield.
 - 4. Contract Changes.

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

5. Cancellation and Termination Dates. In accordance with section 2 of the Basic Provisions, the cancellation and termination dates are:

CANCELLATION AND TERMINATION

| State | Dates |
|---------------------------------------|----------------------|
| Delaware and MarylandAll other states | Feb. 15. Mar. 15. |

6. Report of Acreage.

In addition to the provisions of section 6 of the Basic Provisions, you must provide a copy of all processor contracts to us on or before the acreage reporting date.

7. Insured Crop.

- (a) In accordance with section 8 of the Basic Provisions, the crop insured will be all the shell type and pod type green peas in the county for which a premium rate is provided by the actuarial documents:
- (1) In which you have a share;
- (2) That are grown under, and in accordance with, the requirements of a processor contract executed on or before the acreage reporting date and are not excluded from the processor contract at any time during the crop year; and
- (3) That are not (unless allowed by the Special Provisions or by written agreement):
 - (i) Interplanted with another crop;
- (ii) Planted into an established grass or legume; or

(iii) Planted as a nurse crop.

- (b) You will be considered to have a share in the insured crop if, under the processor contract, you retain control of the acreage on which the green peas are grown, you are at risk of loss, and the processor contract provides for delivery of green peas under specified conditions and at a stipulated base contract price.
- (c) A commercial green pea producer who is also a processor may establish an insurable interest if the following requirements are met:
- (1) The producer must comply with these Crop Provisions;
- (2) Prior to the sales closing date, the Board of Directors or officers of the processor must execute and adopt a resolution that contains the same terms as an acceptable processor contract. Such resolution will be considered a processor contract under this policy; and
- (3) Our inspection reveals that the processing facilities comply with the definition of a processor contained in these Crop Provisions.
 - 8. Insurable Acreage.

In addition to the provisions of section 9 of the Basic Provisions:

- (a) Any acreage of the insured crop that is damaged before the final planting date, to the extent that the majority of producers in the area would normally not further care for the crop, must be replanted unless we agree that it is not practical to replant; and
- (b) We will not insure any acreage that does not meet the rotation requirements, if applicable, contained in the Special Provisions.
- 9. Insurance Period.

In lieu of the provisions contained in section 11 of the Basic Provisions, regarding the end of the insurance period, insurance ceases at the earlier of:

- (a) The date the green peas:
- (1) Were destroyed;
- (2) Should have been harvested but were not harvested;

- (3) Were abandoned; or
- (4) Were harvested:
- (b) The date you harvest sufficient production to fulfill your processor contract if the processor contract stipulates a specific amount of production to be delivered;
 - (c) Final adjustment of a loss; or
- (d) September 15 of the calendar year in which the insured green peas would normally be harvested; or
- (e) September 30 of the calendar year in which the insured peas would normally be harvested if you provide notice to us that the insured crop will be harvested as dry peas (see section 11(d)).
 - Causes of Loss.

In accordance with the provisions of section 12 of the Basic Provisions:

- (a) Insurance is provided only against the following causes of loss that occur during the insurance period:
- (1) Adverse weather conditions, including: (i) Excessive moisture that prevents harvesting equipment from entering the field or that prevents the timely operation of harvesting equipment; and
- (ii) Abnormally hot or cold temperatures that cause an unexpected number of acres over a large producing area to be ready for harvest at the same time, affecting the timely harvest of a large number of such acres or the processing of such production is beyond the capacity of the processor, either of which causes the acreage to be bypassed.
 - (2) Fire;
- (3) Insects, but not damage due to insufficient or improper application of pest control measures;
- (4) Plant disease but only on acreage not planted to peas the previous crop year. (In certain instances, contained in the Special Provisions or in a written agreement, acreage planted to peas the previous year may be covered. Damage due to insufficient or improper application of disease control measures is not covered);
 - (5) Wildlife;
 - (6) Earthquake;
 - (7) Volcanic eruption; or
- (8) Failure of the irrigation water supply, if due to a cause of loss contained in section 10(a)(1) through (7) that occurs during the insurance period.
- (b) In addition to the causes of loss excluded by section 12 of the Basic Provisions, we will not insure any loss of production due to:
 - (1) Bypassed acreage because of:
- (i) The breakdown or non-operation of equipment or facilities; or
- (ii) The availability of a crop insurance payment. We may deny any indemnity immediately in such circumstance or, if an indemnity has been paid, require you to repay it to us with interest at any time acreage was bypassed due to the availability of a crop insurance payment or;
- (2) Your failure to follow the requirements contained in the processor contract.
- 11. Duties In The Event of Damage or Loss. In addition to the notices required by section 14 of the Basic Provisions, you must give us notice:
 - (a) Not later than 48 hours after:
- (1) Total destruction of the green peas on the unit; or

- (2) Discontinuance of harvest on a unit on which unharvested production remains.
- (b) Within 3 days after the date harvest should have started on any acreage that will not be harvested unless we have previously released the acreage. You must also provide acceptable documentation of the reason the acreage was bypassed. Failure to provide such documentation will result in our determination that the acreage was bypassed due to an uninsured cause of loss. If the crop will not be harvested and you wish to destroy the crop, you must leave representative samples of the unharvested crop for our inspection. The samples must be at least 10 feet wide and extend the entire length of each field in each unit. The samples must not be destroyed until the earlier of our inspection or 15 days after notice is given to us:
- (c) At least 15 days prior to the beginning of harvest if you intend to claim an indemnity on any unit, or immediately if damage is discovered during the 15 day period or during harvest, so that we may inspect any damaged production. If you fail to notify us and such failure results in our inability to inspect the damaged production, we will consider all such production to be undamaged and include it as production to count. You are not required to delay harvest; and
- (d) Prior to the time the green peas would normally be harvested if you intend to harvest the green peas as dry peas.
 - 12. Settlement of Claim.
- (a) We will determine your loss on a unit basis. In the event you are unable to provide separate, acceptable production records:
- (1) For any optional units, we will combine all optional units for which such production records were not provided; or
- (2) For any basic units, we will allocate any commingled production to such units in proportion to our liability on the harvested acreage for the units.
- (b) In the event of loss or damage covered by this policy, we will settle your claim by:
- (1) Multiplying the insured acreage by its respective production guarantee, by type if applicable;
- (2) Multiplying each result of section 12(b)(1) by the respective price election, by type if applicable;
- (3) Totaling the results of section 12(b)(2) if there are more than one type;
- (4) Multiplying the total production to count (see section 12(c)), for each type if applicable, by its respective price election;
- (5) Totaling the results of section 12(b)(4) if there are more than one type;
- (6) Subtracting the results of section 12(b)(4) from the results of section 12(b)(2) if there is only one type or subtracting the results of section 12(b)(3) from the result of section 12(b)(3) if there are more than one type; and
- (7) Multiplying the result of section 12(b)(6) by your share.

For example:

You have a 100 percent share in 100 acres of shell type green peas in the unit, with a guarantee of 4,000 pounds per acre and a price election of \$0.09 per pound. You are

only able to harvest 200,000 pounds. Your indemnity would be calculated as follows:

- (1) $100 \text{ acres} \times 4,000 \text{ pounds} = 400,000$ pounds guarantee;
- 400,000 pounds \times \$0.09 price election = \$36,000.00 value of guarantee;
- 200,000 pounds \times \$0.09 price election = \$18,000.00 value of production to count;
- \$36,000.00 \$18,000.00 = \$18,000.00loss: and
- (7) $\$18,000.00 \times 100 \text{ percent} = \$18,000.00$ indemnity payment.

You also have a 100 percent share in 100 acres of pod type green peas in the same unit, with a guarantee of 5,000 pounds per acre and a price election of \$0.13 per pound. You are only able to harvest 450,000 pounds. Your total indemnity for both shell type and pod type green peas would be calculated as

- (1) $100 \text{ acres} \times 4,000 \text{ pounds} = 400,000$ pounds guarantee for the shell type, and $100 \text{ acres} \times 5,000 \text{ pounds} = 500,000$ pounds guarantee for the pod type;
- (2) 400,000 pounds guarantee \times \$0.09 price election = \$36,000.00 value of guarantee for the shell type, and 500,000 pounds guarantee \times \$0.13 price election = \$65,000.00 value of guarantee for the pod type;
- (3) \$36,000.00 + \$65,000.00 = \$101,000.00total value of guarantee;
- (4) 200,000 pounds \times \$0.09 price election = \$18,000.00 value of production to count for the shell type, and
- $450,000 \text{ pounds} \times \$0.13 = \$58,500.00 \text{ value}$ of production to count for the pod type;
- \$18,000.00 + \$58,500.00 = \$76,500.00total value of production to count;
- \$101,000.00 \$76,500.00 = \$24,500.00loss: and
- (7) \$24,500.00 loss × 100 percent = \$24,500.00 indemnity payment.
- (c) The total production to count, specified in pounds, from all insurable acreage on the unit will include:
- (1) All appraised production as follows:
- (i) Not less than the production guarantee for acreage:
 - (A) That is abandoned;
- (B) That is put to another use without our consent:
- (C) That is damaged solely by uninsured causes or:
- (D) For which you fail to provide production records that are acceptable to us. (ii) Production lost due to uninsured

(iii) Production on acreage that is bypassed unless the acreage was bypassed due to an insured cause of loss which resulted in production which would not be acceptable under the terms of the processor contract.

- (iv) Potential production on insured acreage that you intend to put to another use or abandon, if you and we agree on the appraised amount of production. Upon such agreement, the insurance period for that acreage will end when you put the acreage to another use or abandon the crop. If agreement on the appraised amount of production is not reached:
- (A) If you do not elect to continue to care for the crop, we may give you consent to put the acreage to another use if you agree to

leave intact, and provide sufficient care for, representative samples of the crop in locations acceptable to us (The amount of production to count for such acreage will be based on the harvested production or appraisals from the samples at the time harvest should have occurred. If you do not leave the required samples intact, or fail to provide sufficient care for the samples, our appraisal made prior to giving you consent to put the acreage to another use will be used to determine the amount of production to count); or

- (B) If you elect to continue to care for the crop, the amount of production to count for the acreage will be the harvested production, or our reappraisal if additional damage occurs and the crop is not harvested.
- (2) All harvested green pea production from the insurable acreage. The amount of such production will be determined by dividing the dollar amount paid, payable, or which should have been paid under the terms of the processor contract for the quality and quantity of the peas delivered to the processor by the base contract price per pound;
- (3) All harvested green pea production from any of your other insurable units that have been used to fulfill your processor contract for this unit; and
- (4) All dry pea production from the insurable acreage if you gave notice in accordance with section 11(d) for any acreage you intended to harvest as dry peas. The harvested or appraised dry pea production will be multiplied by 1.667 for shell types and 3.000 for pod types to determine the green pea production equivalent. No adjustment for quality deficiencies will be allowed for dry pea production.

13. Late and Prevented Planting.

Late planting provisions are not applicable to green peas unless allowed by the Special Provisions and you provide written approval from the processor by the acreage reporting date that it will accept the production from the late planted acres when it is expected to be ready for harvest. Prevented planting coverage will be available if contained in the Basic Provisions.

14. Written Agreement.

Terms of this policy that are specifically designated for the use of written agreements may be altered by written agreement in accordance with the following:

- (a) You must apply in writing for each written agreement no later than the sales closing date, except as provided in section 14(e);
- (b) The application for a written agreement must contain all variable terms of the contract between you and us that will be in effect if the written agreement is not approved;
- (c) If approved, the written agreement will include all variable terms of the contract, including, but not limited to, crop type or variety, the guarantee, premium rate, and price election;
- (d) Each written agreement will only be valid for one year (if the written agreement is not specifically renewed the following year, insurance coverage for subsequent crop years will be in accordance with the printed policy); and

(e) An application for a written agreement submitted after the sales closing date may be approved if, after a physical inspection of the acreage, it is determined that no loss has occurred and the crop is insurable in accordance with the policy and written agreement provisions.

Signed in Washington, D.C., on October 23,

Kenneth D. Ackerman,

Manager, Federal Crop Insurance Corporation.

[FR Doc. 97-30514 Filed 11-19-97; 8:45 am] BILLING CODE 3410-08-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 23

[Docket No. 141CE, Special Condition 23-ACE-921

Special Conditions; Cessna Model 525 Citation Jet Airplane

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final special conditions; request for comments.

SUMMARY: These special conditions are issued to Rockwell Collins, Inc., 400 Collins Road NE, Cedar Rapids, Iowa 52498 for a Supplemental Type Certificate (STC) on the Cessna Model 525 Citation Jet airplane. This airplane will have novel and unusual design features when compared to the state of technology envisaged in the applicable airworthiness standards. These novel and unusual design features include the installation of electronic displays for which the applicable regulations do not contain adequate or appropriate airworthiness standards for the protection of these systems from the effects of high intensity radiated fields (HIRF). These special conditions contain the additional safety standards that the Administrator considers necessary to establish a level of safety equivalent to the airworthiness standards applicable to these airplanes. **EFFECTIVE DATE:** The effective date of these special conditions is November

20, 1997. Comments must be received on or before December 22, 1997.

ADDRESSES: Comments may be mailed in duplicate to: Federal Aviation Administration, Office of the Assistant Chief Counsel, ACE-7, Attention: Rules Docket Clerk, Docket No. 141CE, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106. All comments must be marked: Docket No. 141CE. Comments may be inspected in the Rules Docket