

United States Department of Agriculture

January 19, 2007

Risk Management Agency

6501 Beacon Drive Kansas City, MO 64133-4676

INFORMATIONAL MEMORANDUM: PM-07-004

TO: All Reinsured Companies

All Risk Management Agency Field Offices

All Other Interested Parties

FROM: Tim B. Witt /s/Tim B. Witt

Deputy Administrator

SUBJECT: Florida Fruit Tree Pilot Program Procedures for Asiatic Citrus Canker

Verification for Crop Year 2007

BACKGROUND:

The Federal Crop Insurance Corporation (FCIC) Board of Directors (the Board) approved a revised Florida Fruit Tree (FFT) Pilot Program beginning with CY 2007 in 29 Florida counties. The revised program included coverage for trees removed due to Asiatic Citrus Canker (ACC), a Comprehensive Tree Value Endorsement for all citrus trees (except lemons, limes, mango, and carambola) and avocado trees, and an Occurrence Loss Option for all citrus, avocado, mango, and carambola trees.

In January 2007, Florida's Division of Plant Industry (DPI) ceased issuing "removal orders" and only "recommended" the removal of trees infected by or exposed to ACC. DPI also advised they will be unable to continue issuing Destruction Certificates for processing citrus fruit. Manager's Bulletin MGR-06-013, issued December 6, 2006 modified the requirements for ACC coverage to meet policy obligations to insured producers. Approved Insurance Providers (AIPs) will accept notices of suspected ACC loss from Florida Fruit Tree insureds. Insureds and AIP's have been trained and certified to identify trees infected by ACC. Insureds must identify and mark trees infected by ACC prior to the loss adjuster's inspection.

ACTION:

Effectively immediately, AIP loss adjusters certified by DPI in ACC identification must verify the trees infected or exposed to ACC, and verify their removal prior to finalizing the ACC claim. The loss adjusters must follow procedures outlined in DPI's training class or DVD, when available, when sampling and/or testing trees for ACC. AIPs with loss adjusters who will be working ACC claims who were not certified in the January 2007 training held by DPI may contact DPI for subsequent certification information. DPI's point of contact for subsequent training and certification needs is:

Darci Hames Division of Plant Industry Training Office Florida Department of Agriculture and Consumer Services

(352) 372-3505 ex196 hamesd@doacs.state.fl.us

The loss adjuster must confirm the presence of ACC either by submitting a minimum of one sample per block to DPI for laboratory testing, or using the ImmunoStrip® test in the grove, if available. The ImmunoStrip® should not be used on young trees less than five years old, because it cannot accurately distinguish ACC from Citrus Bacterial Spot, which occurs in very young trees. Loss adjusters may submit or test more than one sample from a block, if necessary, and must verify removal of the infected or exposed trees in up to a 100 foot radius from an infected tree.

The loss adjusters, in accordance with the Grower/Caretaker Compliance Agreement, shall follow decontamination procedures required by the grower or as instructed by DPI in the required training. DPI recommends that loss adjusters use grower provided transportation, rather than driving their own vehicles into the groves. The grower may also collect the sample from the tree in the presence of the loss adjuster.

A Sample Destruction Verification Form is attached. Loss adjusters must document the information required on the sample form and submit that information with the claim.

In lieu of the instructions in the 2007 Florida Fruit Tree Pilot Loss Adjustment Standards Handbook (FCIC-25570-1) for section 4 B (1) and (2), the following will be applicable.

- (1) Trees destroyed due to ACC are only those trees that were identified by the insured and verified by the AIP as infected by or exposed to ACC and were subsequently removed and destroyed according to the limitations in the Special Provisions.
 - (a) The date of damage is the date the confirmed positive specimen was collected.
 - (b) The insured is required to give notice of loss when it is discovered that ACC may be present on any of the insured citrus acreage. The insured shall flag suspected trees for AIP verification.
- (2) The information contained on the Sample Asiatic Citrus Canker Tree Destruction Verification form must be documented to verify the removal of the trees in the unit infected by or exposed to ACC before a claim for indemnity can be completed.
 - (a) The AIP must document the number, crop, and type as specified on the actuarial documents of all the trees removed.
 - (b) Once insurance attaches for the crop year, the removal of trees will not change the number of trees for the unit.

- (c) ACC coverage is limited to the number of trees to be destroyed as specified by the limitations in the Special Provisions. Trees destroyed in excess of the number specified by the Special Provisions will be considered lost due to uninsured causes (disease/destroyed without consent). Refer to the Crop Provisions and section 7.
- (d) If ACC coverage is NOT in effect, ACC damage is an uninsurable cause of loss.

In lieu of the instructions in the 2007 Florida Fruit Tree Pilot Loss Adjustment Standards Handbook (FCIC-25570-1) for Florida Fruit Tree Production Worksheet (SECTION I - ACREAGE APPRAISED, UNIT VALUE) instructions, Section D.a.2., the following will be applicable.

2. For ACC losses enter the number of trees verified by the AIP as being infected by or exposed to ACC and that have been removed (refer to the Special Provisions).

Questions regarding this memorandum can be referred to Ron Lundine, Chief, Product Design Branch at 816-926-3854 or Ronald.lundine@rma.usda.gov.

DISPOSAL:

This memorandum is for transmitting information and will expire May 31, 2007.

(SAMPLE ONLY) CY 2007 Asiatic Citrus Canker Tree Destruction Verification

Verification of Voluntary Destruction of Citrus Trees Infected with Citrus Canker and Based on the Risk Management Agency/USDA Policy Provisions, Trees Exposed to Citrus Canker and Located Not More Than One-Hundred Feet From The Nearest Infected Tree:

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Unit ID:					Grove ()wner Na	me & Ma	iling Addre
County:								
Grove ID:_								
Disease Cor	nfirmed Date):						
Date of Con	npletion of D	Destruction	n:	_				
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T-R-S/	Block ID/ Number	Crop	Crop	Row	Tree Specing			# of Trees Destroyed
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Totals								
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The loss adju	uster for					verified th	ne destruct	ion of the
·	(Nan	ne of Appr	oved Insur	ance Prov	rider)			
above citrus	trees in						·	
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-	was submitted			copy of t	he confiri	ning labo	ratory path	ıology
report must	be attached to	this docu	ment.					
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Printed Nam	ne of ACC Ce	ertified Los	ss Adjuster					
Signature of	ACC Certific	ed Loss A	diuctor					
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