

insurance contract will be voided and not have been in effect for the crop year for which the fee is due and will terminate, and the person failing to pay the fee will not be or have been eligible for certain other USDA program benefits as set out in § 400.656 and any of those benefits received for the crop year must be refunded.

(2) The administrative fee for additional coverage is not refundable and may not be waived.

(c) When obtaining catastrophic risk protection, limited, or additional coverage, an insured must provide information regarding crop insurance coverage on any crop previously obtained at any other local USDA office or from an approved insurance provider, including the date such insurance was obtained, and the amount paid in administrative fees. If the insured has paid in excess of the maximum allowable amount in administrative fees, the insured will receive a refund of the excess fees paid from the local USDA office or from the approved insurance provider that collected the excess amount.

§ 400.656 Eligibility for other program benefits.

The insured must obtain at least the catastrophic risk protection level of coverage for each crop of economic significance in the county in which the insured has an interest, if insurance is available in the county for the crop, to be eligible for:

(a) Price support and production adjustment programs, including tobacco, rice, extra long staple cotton, upland cotton, feed grains, wheat, peanuts, oilseeds, and sugar;

(b) Loans or any other USDA-provided farm credit including guaranteed and direct farm ownership loans, operating loans, and emergency loans under the Consolidated Farm and Rural Development Act; and

(c) The Conservation Reserve Program.

§ 400.657 Coverage for acreage that is prevented from being planted.

(a) 1994 crop year prevented planting for all crops of wheat, feed grain, cotton, and rice:

(1) For the 1994 crop year only, an insured may receive compensation for acreage that was prevented from being planted due to major, widespread flooding in the Midwest, or excessive ground moisture, that occurred prior to the spring sales closing date for the 1994 crop year.

(2) To be eligible for compensation the insured must have:

(i) Purchased a crop insurance policy containing prevented planting

provisions prior to the spring sales closing date for the 1994 crop year;

(ii) Had a reasonable expectation of planting the insured crop on acreage that was eligible for prevented planting coverage under the terms of the crop insurance contract, (if it is determined that the acreage eligible for the prevented planting coverage under the terms of the crop insurance policy would have drained sufficiently to plant the crop except for additional moisture that occurred in the spring, the insured will be assumed to have had a reasonable expectation of planting the crop absent some other intervening cause); and

(iii) Participated in a conserving use program established for the 1994 crop of wheat, feed grains, upland cotton, or rice established under the Agricultural Act of 1949, whichever is applicable.

(3) FCIC will pay as compensation under the prevented planting provisions of the crop insurance policy, the difference between:

(i) The amount of any prevented planting payment that would have been due under the prevented planting provision of the 1994 crop year crop insurance policy (prevented planting indemnity less premium); and

(ii) The amount paid under the conserving use program for the same crop and acreage.

(b) 1994 crop year prevented planting for oilseeds:

(1) If the insured satisfies the requirements of section (a)(2) (i) and (ii), the insured will be eligible for a prevented planting payment on the oil seed crop.

(2) FCIC will pay as compensation under this prevented planting provision the amount payable under the prevented planting provision of the applicable 1994 crop year crop insurance policy (prevented planting indemnity less premium).

(c) 1995 and succeeding crop year prevented planting coverage:

Effective for the 1995 and subsequent crop years, the insurance period for prevented planting for those crop insurance policies containing prevented planting coverage shall be extended so that prevented planting coverage begins:

(1) On the sales closing date for the insured crop in the county for the crop year the application for insurance is accepted; or

(2) For any crop year following the crop year the application for insurance is accepted, or for any crop year the insurance policy is transferred to a different insurance provider, on the sales closing for the insured crop in the county for the previous crop year, provided continuous coverage has been

in effect since that date. *For example:* If the insured makes application and purchases a corn crop insurance policy for the 1995 crop year, prevented planting coverage will begin on the 1995 sales closing date for corn in the county. If the corn policy remains in effect for the 1996 crop year (is not terminated or cancelled during or after the 1995 crop year), or is transferred to a different insurance provider, prevented planting coverage for the 1996 crop began on the 1995 sales closing date.

§ 400.658 Transitional yields for forage or feed crops for the 1995 through 1997 crop years

(a) For the 1995 through the 1997 crop year, insureds who produce feed or forage may be eligible for an adjustment in the assigned yield available under § 400.55(b)(1) if:

(1) The feed or forage is primarily for on-farm use in a livestock, dairy, or poultry operation; and

(2) The insured derives at least fifty percent (50%) of the insured's net farm income from the livestock, dairy, or poultry operation.

(b) Insureds that qualify under (a) of this section will receive an assigned yield, if required, under § 400.55(b)(1) of 80 percent of the T or D-Yield.

Done in Washington, D.C., on December 21, 1994.

Suzette Dittrich,

Acting Manager, Federal Crop Insurance Corporation.

[FR Doc. 95-358 Filed 1-3-95; 3:38 pm]

BILLING CODE 3410-08-U

7 CFR Part 402

RIN 0563-AB09

Catastrophic Risk Protection Endorsement

AGENCY: Federal Crop Insurance Corporation.

ACTION: Interim rule.

SUMMARY: The Federal Crop Insurance Corporation ("FCIC") hereby adds a new part 402 to chapter IV of title 7 of the Code of Federal Regulations ("CFR"). The intended effect of this interim rule is to provide a catastrophic risk protection plan of insurance, the lowest level of coverage required to be purchased by a producer to be eligible for certain other agricultural farm program benefits, to comply with statutory mandates of the Federal Crop Insurance Act as amended by the Federal Crop Insurance Reform Act of 1994.

DATES: This rule is effective January 6, 1995. Written comments, data, and