Northeastern North Carolina
Crop Programs
Crop Programs
Northeastern North Carolina

- Apiculture
  - Rainfall Index
  - Vegetative Index
- Barley
- Cabbage
- Corn
- Cotton
Crop Programs
Northeastern North Carolina

- Livestock Risk Protection
  - Feeder Cattle
  - Fed Cattle
  - Swine
- Grain Sorghum
- Nursery
  - Container
  - Field Grown
Crop Programs
Northeastern North Carolina

- Oats
- Peanuts
- Potatoes
- Soybeans
- Wheat
- Pasture, Rangeland, Forage
  - Rainfall Index
  - Vegetative Index
Cabbage Program

• Crop Insured
  – Green Cabbage
  – Red Cabbage
Cabbage Program

• Insurability Requirements
  – Family Brassicaceae and Genius Brassicaceae
  – Planted within Planting Periods
  – Grown for Fresh Market
  – Planted in rows wide enough for mechanical cultivation
  – Cannot be inter-planted with another crop
Cabbage Program

• Insurance will not attach to an acreage planted to cabbage or any other Brassicaceae (eg., cauliflower, broccoli, etc.) in either of two previous crop years

• Insurance will not attach to any acreage on which Clubroot was present in any of previous 10 years
Cabbage Program

• Insurance will not attach to any acreage on which Blackleg or Black Rot was present in any of the previous 4 years.

• Savoy cabbage and Chinese cabbage, including other Oriental greens, are not insurable.
Cabbage Program

• Sales Closing Date
  – February 28, 2012

• Planting Periods
  – Spring
    • Earliest Planting Date    March 1, 2013
    • Final Planting Date     April 20, 2013
  – Fall
    • Earliest Planting Date    July 15, 2013
    • Final Planting Date     September 5, 2013
Cabbage Program

• End of Insurance
  – Spring Planting Period  July 10, 2013
  – Fall Planting Period   December 31, 2013
Cabbage Program

• Actual Production History (APH)
  – 4-10 Year Database
    • Based On
      – Your Actual Yield
      – County Average Yields
      – Or Combination of Actual and County Average Yields
Cabbage Program

• Insurance Units
  – Basic Units
    • Planting Periods
    • All acreage in county by Share

  – Optional Units
    • Types listed on Actuarial
Cabbage Program

• Causes of Loss
  – Adverse Weather Conditions
  – Insects and plant disease*
  – Failure of irrigation water supply
  – Fire
  – Wildlife

* Note: Unless control measures are insufficient or improperly applied
Cabbage Program

- **Coverage levels**
  - 50-75% of APH

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<tr>
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Cabbage Program

• Price Elections (2013 prices)
  – Maximum Price $9.40 cwt
  – Catastrophic Price $5.17 cwt
Cabbage Indemnity Example

Sample Loss Example:

300 \( \times \) 0.65 = 195 CWT per acre APH yield

\( \times \) 0.65 Coverage level percentage

195 CWT per acre guarantee

– 35 CWT per acre production

160 CWT per acre loss

\( \times \) $9.40 Price election

$ 1,504 Indemnity per acre

- $79 Estimated producer premium per acre

$ 1,425 Net indemnity per acre
Potato Program

- Insurability Requirements
  - Planted with certified seed
  - Harvest for Human Consumption
  - Harvest for Certified Seed Stock
  - Cannot be planted with another crop
  - Cannot be inter-planted with another crop
Potato Program

• **Sales Closing Date**
  – January 31, 2013

• **Final Planting Date**
  – April 15, 2013

• **Acreage Report Date**
  – April 30, 2013

• **End of Insurance Period**
  – August 15, 2013
Potato Program

• Blue or Purple skinned cultivars will be insurable as red type and will be designated as the red type for purposes of this policy

• Yellow skinned varieties such as Yukon Gold, will be considered as the white type and will be designated as the white type for this policy
Potato Program

• Insurance shall not attach to varieties of the fingerling type, unless provided by written agreement
Potato Program

Actual Production History (APH)

- 4-10 Year Database
  • Based On
    – Your Actual Yield
    – County Average Yields
    – Or Combination of Actual and County Average Yields
Potato Program

• Causes of Loss
  – Adverse Weather Conditions
  – Insects and plant disease*
  – Failure of irrigation water supply
  – Fire
  – Wildlife

*Note: Unless control measures are insufficient or improperly applied
Potato Program

- **Coverage levels**
  - 50- 75% of APH

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Potato Program

- Price Elections (2013 prices)
  - Maximum Price $10.75 cwt
  - Catastrophic Price $ 5.92 cwt
Potato Indemnity Example

Sample Loss Example:

\[
\begin{align*}
180 & \text{ CWT per acre APH yield} \\
\times 0.65 & \text{ Coverage level percentage} \\
117 & \text{ CWT per acre guarantee} \\
- 37 & \text{ CWT per acre production} \\
80 & \text{ CWT per acre loss} \\
\times $10.75 & \text{ Price election} \\
$860 & \text{ Indemnity per acre} \\
- $41 & \text{ Estimated producer premium per acre} \\
$819 & \text{ Net indemnity per acre}
\end{align*}
\]
Peanut Program

• Insurability Requirements
  – Planted for Marketing as Stock Peanuts
  – Type Designated on Special Provisions
    • Virginia
    • Runner
  – Does not have to be grown under contract
  – Does not cover
    • Planted for harvest as green peanuts
Peanut Program

- **Sales Closing Date**
  - February 28, 2012

- **Initial Planting Date**
  - April 16, 2012

- **Final Planting Date**
  - May 31, 2012

- **Acreage Report Date**
  - July 15, 2012

- **End of Insurance Period**
  - November 30, 2012
Peanut Program

• Actual Production History (APH)
  – 4-10 Year Database
    • Based On
      – Your Actual Yield
      – County Average Yields
      – Or Combination of Actual and County Average Yields
Peanut Program

• Insurance Units
  – Basic
    • All acreage in county by share
  – Optional
    • Farm Serial Number
Peanut Program

• Causes of Loss
  – Adverse Weather Conditions
  – Insects and plant disease*
  – Failure of irrigation water supply
  – Fire
  – Wildlife

*Note: Unless control measures are insufficient or improperly applied
Peanut Program

- **Coverage levels**
  - 50- 75% of APH

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Peanut Program

• Price Elections (2013 prices)
  – Maximum Price $0.2500 per pound
  – Catastrophic Price $0.1375 per pound
  – Maximum Contract Price $0.3000 per pound
Peanut Indemnity Example

Sample Loss Example:

\[
\begin{align*}
3000 & \quad \text{Pounds per acre APH yield} \\
\times .75 & \quad \text{Coverage level percentage} \\
2,250 & \quad \text{Pounds per acre guarantee} \\
-1,500 & \quad \text{Pounds per acre production} \\
750 & \quad \text{Pounds per acre loss} \\
\times .250 & \quad \text{Price election} \\
$187.50 & \quad \text{Indemnity per acre} \\
- \quad $28 & \quad \text{Estimated producer premium per acre} \\
$159.50 & \quad \text{Net indemnity per acre}
\end{align*}
\]
Pasquotank County Yield and Revenue Policies

Yield Protection and Revenue Protection is available for the following crops for 2012:

- Corn
- Cotton
- Soybean
- Barley
- Wheat
- Grain Sorghum

These crops with Commodity Exchange price discovery make up a significant portion (73 percent) of the Federal crop insurance program.
Commodity Exchange Price Provisions (CEPP)

- CEPP provides the method for calculating projected and harvest prices.
- Website for prices:
  
  http://www3.rma.usda.gov/apps/pricediscoveryweb

- CEPP applies to the following insurance plans:
  - Revenue Protection
  - Revenue Protection with Harvest Price Exclusion.
  - Yield Protection (Crops with Commodity Exchange price discovery).
Nursery Insurance

• Available for Field Grown and Container that meet the following requirements:
  – Are on the eligible plant list
  – Are grown in nursery that is at least 50% wholesale
  – Meet insurability requirements in policy
  – Are grown in an appropriate medium
Nursery Important Dates

• Insurance period:
  – June 1 and continues to May 31 of following year

• Contract change date:
  – January 31 for current year

• Sales closing date is:
  – May 31 the current crop year
Nursery Insurance

• Causes of loss
  – Adverse Weather conditions
  – Failure of irrigation water supply
    • If due to insurable cause of loss (drought)
  – Fire
  – Wildlife
Nursery Insurance

• Following losses are not covered:
  – Collapse or failure of buildings/structures
    • Unless caused by insurable cause
  – Disease or insect infestation
    • Unless effective control measures do not exist
  – Failure of plant to grow to an expected size
    • Unless caused by insurable cause
  – Inadequate power supply
    • Unless caused by insurable cause of loss
  – Inability to market nursery products
Nursery Insurance

• Plant Inventory Value report
• Plant inventory is required to declare value of plants
• Inventory for each insured practice is required
• Must have two copies of your wholesale plant list and prices
• Must have Physical plant inventory and price documentation
Nursery Endorsements

• Peak Inventory Endorsement
  – Increased inventory for short periods
    • Example is Mums in Fall

• Rehabilitation Endorsement
  – Costs for labor and pruning to rehabilitate damaged plants

• Pilot Nursery Grower’s Price Endorsement
  – Available in 19 states insures plants at higher price than plant list
Nursery Insurance

- Coverage levels
  - 50- 75% of APH

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Nursery Indemnity Example

$100,000  Plant inventory
X .65  Coverage Level percentage
$65,000  Unit amount of insurance

$100,000  Plant Inventory
$- 65,000  Unit amount of insurance

$35,000  Deductible
Nursery Indemnity Example

$100,000  Field Market value before loss

$ - 50,000  Field Market value after loss

$ 50,000  Value of loss

$ - 35,000  Deductible

$ 15,000  Indemnity
Summary
Benefits From Crop Insurance

• Reduces risk and increases long-term profitability
• Minimizes the cost of replacing crop losses when production for on farm use
• Reduces risks associated with pre-harvest crop pricing
• May increase the profits from pre-harvest pricing as more production can be sold at reduced risk (w/o crop ins – farmers often sell 25 -30% of crop, with C.I.- up to C.I. guarantee)
Producers are strongly urged to contact a local crop insurance agent as soon as possible for more detailed information and premium quotes.

For a list of crop insurance agents, contact the local USDA Farm Service Agency office or logon to the following Risk Management Agency web site: http://www.rma.usda.gov/tools/agents/

Clifton R. Parker
919-795-9591