2004 CROP INSURANCE FACT SHEET

STONE FRUITS

California

THIS FACT SHEET POINTS OUT CERTAIN FEATURES OF CROP INSURANCE AND IS NOT INTENDED TO BE COMPREHENSIVE. THE INFORMATION BELOW NEITHER MODIFIES NOR REPLACES THE TERMS AND CONDITIONS OF THE BASIC POLICY, THE CROP PROVISIONS, OR THE COUNTY ACTUARIAL DOCUMENTS. CONTACT A CROP INSURANCE AGENT FOR FURTHER DETAILS.

INSURED CROP

Six types of stone fruit, designated by their intended use, are insurable: fresh and processing apricots, fresh and processing freestone peaches, fresh nectarines, and cling peaches for processing. Growers must insure all their acreage of a particular type of stone fruit in a county. However, since each type is insured separately, one type can be insured and not another.

COUNTIES

Butte	Contra Costa	Fresno	Kern	Kings	Madera
Merced	San Benito	San Joaquin	Santa Clara	Solano	Stanislaus
Sutter	Tulare	Yolo	Yuba		

CAUSES OF LOSS

Adverse Weather Conditions (including hail, frost, freeze, wind, drought, and excess precipitation)
Failure of Irrigation Supply, if caused by insured peril
Insects and Disease* **Earthquake** **Wildlife** **Fire** **Volcanic Eruption**

*But not damage due to insufficient or improper application of pest or disease control measures.

IMPORTANT DATES

Sales Closing Date: January 31

Acreage Report Due: January 31

COVERAGE & PREMIUM

The guarantee is production, measured in lugs of fresh fruit and tons of processing fruit. Individual amounts of insurance are based on a grower's production history. An insurance agent calculates each grower's approved-average yield from 4-10 years of production records. Producers can select a level of coverage ranging from 50 to 70 percent of their approved average yield and 55 to 100 percent of a price announced by USDA. Catastrophic Risk (CAT) coverage based on 50 percent of their approved yield and 55 percent of the price.

Price Election Price used to calculate your premium and indemnity.

Fresh Apricots:	**$4.45 per lug**	Cling Peaches:	**$180 per ton**
Processing Apricots:	**$174 per ton**	Fresh Freestone Peaches:	**$3.05 per lug**
Fresh Nectarines:	**$4.05 per lug**	Processing Freestone Peaches:	**$143 per ton**

INSURANCE PERIOD

Coverage begins for each crop year on February 1, and ends the earliest of:

a. Total destruction of the insured crop by type
b. Harvest
c. Final adjustment of loss
d. July 31 for all apricots; and September 30 for nectarines and peaches

COST OF CROP INSURANCE

The Agricultural Risk Protection Act of 2000 raised the subsidies for federal crop insurance premiums substantially. For CAT coverage, growers pay an application fee of $100 with 100 percent of the premiums being subsidized. Higher coverage levels are subsidized at lower rates; USDA pays at least 50 percent of the premium. For more detailed information about the amounts of coverage and premiums, please contact a crop insurance agent. A listing of crop insurance agents is available at your local Farm Service Agency Office or by calling Risk Management Agency Regional Office in Davis California at (530) 792-5870

LOSS EXAMPLE - STONE FRUITS (NECTARINES)

(Based on average yield of 400 lug/acre, 65% coverage level and one basic unit, 100% share.)

400	Lugs per acre average yield (APH)
x .65	Coverage level
260	Lugs per acre guarantee
- 200	Lugs per acre actually produced
60	Lugs per acre loss
x $4.05	Price election
$243.00	**Gross indemnity per acre**

For more information, visit the Risk Management Agency web site at **www.rma.usda.gov**

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