



United States Department of Agriculture
Risk Management Agency

February 2009

2009 COMMODITY INSURANCE FACT SHEET

Walnuts

California

Crop Insured

All varieties of English walnuts (excluding black walnuts) adapted to the area are insurable, when 90 percent of the trees have reached at least the seventh growing season after being set out. The insurance provider may insure acreage that does not meet the age requirement after an approved inspection and acceptance.

Counties Available

Walnuts are insurable in Amador, Butte, Calaveras, Colusa, Contra Costa, Fresno, Glenn, Kern, Kings, Lake, Madera, Merced, Placer, San Benito, San Joaquin, Santa Barbara, Santa Clara, San Luis Obispo, Shasta, Solano, Stanislaus, Sutter, Tehama, Tulare, Yolo and Yuba counties. Walnuts in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
Earthquake
Failure of irrigation water supply²
Fire⁴
Insects³
Plant disease³
Wildlife⁵

¹Natural perils such as hail, frost, freeze, wind, drought, and excess moisture.

²If caused by an insured peril during the insurance period.

³But not damage due to insufficient or improper application of control measures.

⁴Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed.

⁵Unless wildlife control measures have not been taken.

Important Dates

Sales Closing..... January 31
Acreage Report Due..... April 30

Insurance Period

Coverage begins for each crop year on February 1. The calendar date for the end of the insurance period for each crop year is November 15.

Coverage Levels and Premium Subsidies

The production for the insurance guarantee is measured in pounds of whole in-shell walnuts. Individual amounts of insurance are based on the 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 75 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:

2009 Price: \$ 1.05 per pound

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 \$300 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 or your local county Farm Service Agency office for an agent listing.

Loss Example

A claim can be filed whenever production falls short of the guarantee selected by the insured. The amount of a loss is determined by multiplying the production shortfall by the preselected price.

Based on actual production history (APH) yield of 2,200 pounds per acre, 65-percent coverage level, selected price of \$1.05 per pound, 100-percent share.

2200	Pounds per acre average yield (APH)
<u>x .65</u>	Coverage level percentage
1430	Pounds per acre guarantee
<u>- 400</u>	Pounds per acre actually produced
1030	Pounds per acre loss
<u>x \$1.05</u>	Price election
\$1,081.50	Gross indemnity per acre

Where to Purchase Crop Insurance

All multi-peril crop insurance, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at:

<http://www3.rma.usda.gov/tools/agents/>

Regional Contact for RMA

USDA/Risk Management Agency

Davis Regional Office

430 G Street, # 4168

Davis, CA 95616

Telephone: 530-792-5870

Fax: 530-792-5893

E-mail: rsoca@rma.usda.gov

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