

## Davis Regional Office — Davis, CA

Revised February 2014

# Macadamia Trees

## Hawaii

### Crop Insured

Macadamia trees are insurable if they are grown for the production of macadamia nuts, the rootstock is adapted to the area, are at least a year old when the insurance period begins, and if RMA inspects and approves the orchard.

### Counties Available

Macadamia trees are insurable in Hawaii, Kauai, and Maui counties. Macadamia trees in other counties may be insurable by written agreement if specific criteria are met. Contact a crop insurance agent for more details.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Earthquake;
- Failure of irrigation water supply, if caused by an insured peril during the insurance period;
- Fire, unless weeds and undergrowth are not controlled;
- Insects or plant disease, but not damage due to insufficient or improper application of control measures; or
- Wildlife, unless recommended wildlife control measures have not been taken.

### Insurance Period

Coverage begins on January 1 of each crop year, except for the year of the application. If your application is received after December 22 but before January 1, insurance will begin 10 days after your properly completed application is received in our local office, unless we inspect the acreage during the 10-day period and determine that it does not meet

insurability requirements. You must provide any information that we require for the crop or to determine the condition of the orchard. Insurance is provided for trees by age of plant. Coverage ends on December 31.

### Important Dates

Sales Closing/Cancellation..... December 31, 2013  
Acreage/Production Reporting....February 15, 2014  
Premium Billing..... August 15, 2014  
Termination.....December 31, 2014

### Coverage Levels and Premium Subsidies

You can select a coverage level ranging from 50 to 75 percent of the maximum value established for the age of the tree. Crop insurance premiums are subsidized as shown in the following table. For example, if you choose the 65-percent coverage level, your premium share would be 41 percent of the base premium.

| Item               | Percent |    |    |    |    |    |
|--------------------|---------|----|----|----|----|----|
| Coverage Level     | 50      | 55 | 60 | 65 | 70 | 75 |
| Premium Subsidy    | 67      | 64 | 64 | 59 | 59 | 55 |
| Your Premium Share | 33      | 36 | 36 | 41 | 41 | 45 |

Catastrophic Risk Protection (CAT) coverage is fixed at 50 percent of your approved yield and 55 percent of the price election. CAT is 100-percent subsidized with no premium cost to you. There is, however, an administrative fee of \$300 per crop per county, regardless of the acreage.

### Price Election

The price used to calculate your premium and indemnity. Dollar amounts vary with the age of the tree. For more information, check with an crop insurance agent.

## Loss Example

Assume 65 percent coverage level, 100-percent share, for 9 year old trees in Hawaii County. The amount of coverage is \$5,850.

|                |                             |
|----------------|-----------------------------|
| 1.0            | Share                       |
| <u>- 0.65</u>  | Coverage level              |
| 35%            | Deductible                  |
| 75%            | Percent loss                |
| <u>- 35%</u>   | Deductible                  |
| 40%            | Adjusted loss percentage    |
| 40%            | Adjusted loss percentage    |
| <u>- 65%</u>   | Coverage Level              |
| 0.615          | Loss factor                 |
| \$5,850        | Amount of coverage per acre |
| <u>x 0.615</u> | Loss factor                 |
| <b>\$3,598</b> | <b>Indemnity per acre</b>   |

Price used above is for example only. Contact a crop insurance agent for current information.

## Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA website at: [www3.rma.usda.gov/apps/agents/](http://www3.rma.usda.gov/apps/agents/).

## Contact Us

USDA/RMA

Davis Regional Office

430 G Street, #4168

Davis, CA 95616

**Telephone:** (530) 792-5870

**Fax:** (530) 792-5893

**E-mail:** [rsoca@rma.usda.gov](mailto:rsoca@rma.usda.gov)

## Download Copies from the Web

Visit our online publications/fact sheets page at: [www.rma.usda.gov/pubs/rme/fctsht.html](http://www.rma.usda.gov/pubs/rme/fctsht.html)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, complete, sign and mail a program discrimination complaint form, (available at any USDA office location or online at [www.ascr.usda.gov](http://www.ascr.usda.gov)), to: United States Department of Agriculture; Office of the Assistant Secretary for Civil Rights; 1400 Independence Ave., SW; Washington, DC 20250-9410. Or call toll free at (866) 632-9992 (voice) to obtain additional information, the appropriate office or to request documents. Individuals who are deaf, hard of hearing, or have speech disabilities may contact USDA through the Federal Relay service at (800) 877-8339 or (800) 845-6136.