

## Valdosta Regional Office — Valdosta, GA

Revised March 2016

# Florida Fruit Tree Pilot

## Florida

### Crop Insured

Each type of tree listed below is insurable if:

- The actuarial documents provide premium rates;
- Grown to produce a commodity intended to be sold as fruit or juice for human consumption; and
- You have a share in the crop.

Florida fruit trees include:

- Avocado trees;
- Carambola trees;
- Grapefruit trees;
- Lemon trees;
- Lime trees;
- Mango trees;
- Orange trees (includes early, mid, and late-season navel and temple); and
- Other citrus trees (includes tangerine, tangelo, and murcotts).

### Counties Available

**Avocado and Mango** - Miami-Dade County.

**Carambola** - Lee and Miami-Dade counties.

**Lemon** - Hendry and Martin counties.

**Lime** - Lee and Miami-Dade counties.

**Grapefruit, Orange, and Other Citrus** - Trees are insurable in 28 counties. Talk to your crop insurance agent for a listing of eligible counties.

### Causes of Loss

You are protected against the following:

- Excess moisture;
- Flooding due to high groundwater levels, if allowed by the special provisions;
- Freeze; or
- Wind.

### Insurance Period

For carryover policies, insurance coverage begins for each crop year on June 1 when an acreage report is submitted by the sales closing date. For new policyholders, insurance

coverage begins:

- June 1 when a newly completed application is received by the sales closing date and all other policy requirements are met; or
- 45 days after the company receives your completed application for applications received after the sales closing date, subject to all other requirements of the policy.

The insurance period ends with the earliest occurrence of one of the following:

- May 31; or
- The total destruction of insured trees on the unit.

### Important Dates

Sales Closing .....	April 15, 2016
Acreage Reporting .....	April 15, 2016
Cancellation .....	May 31, 2016
Premium Billing .....	March 1, 2017
Termination .....	May 31, 2017

### Reporting Requirements

**Acreage Report** - You must report all acres of the crop, in which you have a share in the county, with the stage and number of trees (insurable and non-insurable) for each stage-block in the unit. A pre-acceptance worksheet and a grove identification map must be submitted with new applications. A revised worksheet and map must be submitted by the acreage reporting date if any trees are added.

**Notice of Loss** - Talk to your crop insurance agent for detailed requirements.

### Definitions

**Block** - A stand of trees of the same crop on acreage sharing a common boundary with no discernable change in the planting pattern.

**Stage** - A classification system based on the number of years after set-out, buckhorning, top-working, or resetting.

**Stage-block** - A block with at least 75 percent of the trees at the same stage when insurance begins.

**Stand of Damaged Trees** - The area(s) within a unit with damage due to the same insurable cause of loss and used to determine the damage value for the unit.

**Tree Reference Price** - The price per tree listed on the actuarial documents for tree replacement or rehabilitation that is used in calculating the unit value, the amount of protection, and the damage value. This value is on the prices tab of the actuarial documents browser at <http://prodwebnlb.app.rm.usda.gov/apps/ActuarialInformationBrowser/Default.aspx>.

### Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of the maximum reference prices per tree shown on the price addendum. For example, if the maximum reference dollar amount is \$55 per tree and there are 500 trees in the grove, the 65-percent coverage level results in a \$17,875 guarantee for the 500 tree grove. Premiums are subsidized as shown in the table below.

Item	Percent					
	50	55	60	65	70	75
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 set at 50-percent coverage level and 55 percent of the maximum reference dollar amount for the appropriate stage, rounded to the nearest cent. The cost for CAT coverage is an administrative fee of \$300 per crop per county, regardless of the acreage.

### Occurrence Loss Option

You may choose this option for an additional fee. You must choose the occurrence loss option when you apply for insurance or by the sales closing date, if you already have insurance. An indemnity may be paid under this option if the amount of insured damage within the unit is at least five percent. This option is not available with CAT.

### Comprehensive Tree Value

For an additional premium, the Comprehensive Tree Value (CTV) Endorsement provides supplemental coverage for eligible trees. You must choose the CTV endorsement when you apply for insurance or by the sales closing date, if you already have insurance. Trees must be reported on the acreage report by stage-block and tree sub-type. This endorsement is not available for carambola, lemon, lime, mango, stage I trees, or with CAT. Talk to your crop insurance agent for more details.

### Loss Example

Assume a unit of 1,000 orange trees in growth stage III, insured at the 75-percent coverage level, 100-percent share, with a \$75 price per tree, and 40 percent of trees totally destroyed by an insurable cause.

#### Coverage

1,000	Orange trees
x \$75	Price per tree
\$75,000	
x 0.75	Coverage level election
\$56,250	Amount of insurance per unit

#### Unit Deductible

1,000	Orange trees
x \$75	Price per tree
\$75,000	
x 0.25	Deductible (100 - 75 = 25 percent)
\$18,750	Unit deductible

#### Indemnity

1,000	Orange trees
x 0.40	Percent trees destroyed
400	Destroyed trees
x \$75	Price per tree
\$30,000	
- 18,750	Unit deductible
<b>\$11,250</b>	<b>Indemnity for the unit</b>

### Where to Buy Crop Insurance

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

### Contact Us

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