



United States Department of Agriculture
Risk Management Agency

October 2008

2008 COMMODITY INSURANCE FACT SHEET

Onions

Colorado and Kansas

Crop Insured

The crop insured will be irrigated onions planted for harvest as storage (dry) onions and non-storage onions excluding green (bunch) or seed onions, chives, garlic, leeks, and scallions. Onions may **not** be insured if interplanted with another crop or planted into an established grass or legume. Onions shall not be insurable on ground planted to dry (bulb) onions, green (bunch) onions, seed onions, chives, garlic, leek, or scallions in either of the previous two crop years unless the ground is properly fumigated.

Counties Available

Onions are insurable in the following Colorado counties: Adams, Boulder, Delta, Mesa, Montrose, Morgan, Otero, Prowers, Pueblo, and Weld. Onions are also insurable in Hamilton and Stanton counties in Kansas.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire³
Earthquake
Insects⁴
Plant disease⁴
Volcanic eruption
Wildlife

¹Such as hail, freeze, excess wind, excess rain, drought, and tornado. ²If caused by an insured cause of loss within the insurance period. ³If due to natural causes. ⁴But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Coverage begins on each unit or part of a unit when the onions are planted and ends at the earliest of: (1) total destruction of the onions on the unit; (2) fourteen days after lifting or digging of the onions; (3) removal of the onions from the field; (4) final adjustment of a loss on a unit; or (5) October 15, for all storage onions (6) August 31, for all non-storage onions.

Reporting Requirements

Acreage Report — A report of all your onion acreage in the county is due to your crop insurance agent by the acreage reporting date.

Important Dates

Sales Closing	February 1, 2008
Final Planting Date.....	May 1, 2008
Acreage Report Date	June 15, 2008
End of Insurance ¹	August 31, 2008
End of Insurance ²	October 15, 2008

¹For all non-storage onions.

²For all storage onions.

Definitions

Non-storage onions — Generally of a Bermuda, Granex, or Grano variety, or hybrids developed from these varieties, that are harvested as a bulb and dried only a short time, and consequently have a higher moisture content. They are thinner skinned, contain a higher sugar content, and are generally milder in flavor than storage onions. Due to a higher moisture and sugar content, they are subject to deterioration both on the surface and internally if not used shortly after harvest.

Storage onions -- Onions other than a Bermuda, Granex, or Grano variety, or hybrids developed from these varieties that are harvested as a bulb and dried to a lower moisture content, are firmer, have more outer layers of paper-like skin, and are darker in color than non-storage onions. They are generally more pungent, have a lower sugar content, and can normally be stored for several months under proper conditions prior to use without deterioration.

Onion Stage Definitions

First stage: (a) For direct seeded storage and non-storage onions, from planting until the emergence of the fourth leaf; and (b) for transplanted storage and non-storage onions, from transplanting of onion plants or sets through the 30th day after transplanting.

Second stage: (a) For direct seeded storage and non-storage onions, from the emergence of the fourth leaf; and (b) for transplanted storage and non-storage onions, from the 31st day after transplanting.

Final stage: Final stage extends from the completion of topping and lifting or digging on the acreage until the end of the insurance period, and is the quantity of onions (in hundredweight) determined by multiplying the approved yield per acre by the coverage level percentage elected.

Coverage Levels and Premium Subsidies

The onion policy guarantees a certain amount of production, depending on the level of coverage selected. Crop insurance premiums are subsidized as shown below.

For example, if you select the 75-percent coverage level, the premium subsidy is 55 percent and your premium share is 45 percent of the base premium. The total cost for CAT coverage will be an administrative fee of \$100 per crop per county, regardless of the acreage. All other coverage levels require a \$30.00 administrative fee.

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

Price Elections

Price at which you are compensated per cwt in the event of a loss, based on the percentage of established price you have selected. Price election percentage choices for this crop year are 55 percent to 100 percent of the prices shown below.

Established Price:

Red onions \$14.75 per cwt

Whites onions \$14.15 per cwt

Yellow onions \$6.55 per cwt

Insurance Units

Basic Unit: A basic unit includes all of your insurable onion acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

Optional Unit: If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section. You may also apply for optional units by type, if type is designated in the special provisions. The 10-percent premium discount will not apply.

Replant Provisions

A replanting payment is allowed if the crop is

damaged by an insurable cause of loss to the extent that our appraisal does not exceed 90 percent of your final stage guarantee, and we determine it is practical to replant. The replanting payment will be the lesser of 7 percent of the final stage production guarantee or 18 cwt multiplied by your price election, multiplied by your share. Replant payments are **not available** on the Catastrophic Risk Protection Endorsement.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted due to an insurable cause of loss. Please consult a crop insurance agent for details.

Harvested Final Stage Loss Example

A loss occurs when the crop value falls below the guaranteed cwt amount as a result of damage from a covered cause of loss. This example assumes a final stage loss at the 65 percent coverage level, a 100-percent price election of \$6.55, and an average APH yield of 300 cwt per acre with .500 share.

(APH yield x coverage level x unit acres - production x price election x share)

300	Cwt APH yield
<u>x .65</u>	Coverage level
195	Cwt per acre guarantee
<u>x 100</u>	Acres
19,500	Cwt unit guarantee
<u>- 16,500</u>	Cwt production
3,000	Cwt loss
<u>x \$6.55</u>	Price election
\$19,650	Unit indemnity
<u>x .500</u>	Share
\$9825	Final indemnity

Download Copies from the Web

Visit our online publications/fact sheets page at:
http://www.rma.usda.gov/aboutrma/fields/ks_rso/

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 write to: USDA, Director, Office of Civil Rights, Room 1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.