

Topeka Regional Office — Topeka, KS

Revised May 2014

Popcorn

Colorado

Crop Insured

Popcorn is insurable if:

- It is grown in the county on insurable acreage;
- Premium rates are provided;
- You have a share;
- It is grown under a processor contract executed on or before the acreage reporting date; and
- It is all irrigated popcorn planted for harvest as popcorn under the Common Crop Insurance Policy.

Popcorn is not insurable, if it is on acreage where it:

- Is a non-irrigated crop;
- Is not grown under a processor contract executed on or before the acreage reporting date;
- Follows a cover crop that does not meet the criteria outlined in the Insurance Availability section of the Special Provisions; or
- Is planted into a grass or legume.

Contact a crop insurance agent for more details.

Counties Available

Popcorn insurance is available in Baca, Kit Carson, Phillips, Prowers, and Yuma counties. Coverage in other counties may also be available by written agreement if certain criteria are met, including records for at least 3 years of actual production history (APH). Contact a crop insurance agent for more information.

Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Fire;
- Insects, but not damage due to insufficient or improper application of pest control measures;
- Plant disease, but not damage due to insufficient or improper application of disease control measures;

- Wildlife;
- Earthquake;
- Volcanic eruption;
- Failure of the irrigation water supply due to a cause of loss specified in sections 8(a) through (g) that also occurs during the insurance period; or
- For Revenue Protection, a change in the harvest price from the projected price, unless FCIC can prove the price change was the direct result of an uninsured cause of loss specified in section 12(a) of the Basic Provisions.

Frost or freeze are not insurable causes of loss if it is after the date specified in the Special Provisions.

Insurance Period

Insurance coverage begins on the later of:

- Date your application is accepted; or
- Date when the popcorn is planted.

Insurance coverage ends at the earliest occurrence of one of the following:

- Total destruction of the crop;
- Harvest of the unit;
- Final adjustment of a loss;
- Abandonment of the crop; or
- December 10.

Important Dates

Sales Closing.....	March 15, 2014
Cancellation Date.....	March 15, 2014
Earliest Planting Date.....	April 10, 2014
Final Planting Date.....	May 20, 2014
Acreage Report Date.....	July 15, 2014
Premium Billing.....	August 15, 2014
End of Insurance.....	December 10, 2014

Reporting Requirements

Acreage Report - You must give a report to your crop insurance agent of all your popcorn acreage in the county by the acreage reporting date.

Coverage Levels and Premium Subsidies

Popcorn may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown.

Coverage Level		0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Subsidy	Basic Unit	0.670	0.640	0.640	0.590	0.590	0.550	0.480	0.380
	Optional unit	0.670	0.640	0.640	0.590	0.590	0.550	0.480	0.380

If you select the 75-percent coverage level and basic units, your coverage will be 75 percent of your approved APH yield, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium. For coverage levels above the Catastrophic Risk Protection (CAT) level, in addition to premium costs, administrative fees are \$30 per crop per county.

Catastrophic Coverage

CAT is available at 50 percent of your APH yield and 55 percent of the established price election. The total cost for CAT coverage is an administrative fee of \$300 per crop per county. Available for Yield Protection Plan only.

Price Elections

Prices are calculated according to the Commodity Exchange Price Provisions. Colorado corn prices are based on the December futures market price for corn. The projected price discovery period is February 1 through February 28. For Yield Protection, the price election will equal the projected price for grain type corn in the county multiplied by a conversion factor, and will be published concurrently with the projected price for grain type corn in the county. The harvest price discovery period is October 1 through October 31. These prices will be released no later than 3 business days following the end of the price discovery period. Depending on the insurance plan, these prices will be used for compensation per bushel in case of loss. Contact your agent or for more information see: www.rma.usda.gov/tools/pricediscovery.html.

Insurance Units

Basic Unit - For processor contracts that stipulate the amount of production to be delivered, a basic unit will consist of all the acreage planted to popcorn in the county that will be used to fulfill contracts with each processor. There will be no more than one basic unit

for all production contracted with each processor contract.

Optional Unit - For any processor contract that stipulates only the number of acres to be planted, the rules for basic and optional units described in the Basic Provisions will apply.

Insurance Plans

Common Crop Insurance Policy Basic Provisions Under the Popcorn Crop Provisions, (99-043):

Yield Protection Plan is an insurance plan that only provides protection against a production loss is available.

Under the Popcorn Revenue Coverage (Pilot) Crop Provisions, (11-PRC-043):

Revenue Protection Plan is an insurance plan that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both.

Harvest Price Exclusion provides revenue protection with the use of the harvest price excluded when determining your revenue protection guarantee. This election is continuous unless canceled by the cancellation date.

Replant Provisions

A replanting payment is allowed if we determine it is practical to replant on a unit and our appraisal does not exceed 90 percent of your guarantee, and you replant at least 20 acres or 20 percent of the unit. The replanting payment will be the lesser of 20 percent of the production guarantee or 150 pounds times your price election, multiplied by your share. No replanting payment will be made on acreage first planted before the earliest planting date. When popcorn is replanted using a practice that is uninsurable as an original planting, our liability for the damaged unit will be reduced by the amount of the replanting payment. The premium amount will not be reduced. Not available with the Catastrophic Risk Protection insurance plan.

Late Planting

These provisions provide protection on acreage that is planted after the final planting date. The late planting period begins the day after the final planting date for the insured crop and ends 20 days after the final planting date. These provisions are applicable for popcorn if you provide written approval from the processor by the acreage reporting date that it will accept the production from the late planted acres when it is expected to be ready for harvest.

Prevented Planting

These provisions provide protection on acreage that cannot be planted. Your prevented planting coverage will be 60 percent of your production guarantee for timely planted acreage. If you have additional coverage and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents. In lieu of Section 17(f)(5)(ii) of the Common Crop Insurance Basic Provisions, haying or grazing a cover crop will not impact eligibility for a prevented planting payment provided such action did not contribute to the acreage being prevented from planting.

Loss Example

Under yield protection a loss occurs when the pounds of popcorn produced for the unit fall below the production guarantee because of damage from a covered cause of loss. Under revenue protection a loss occurs when the value of production-to-count is less than the revenue protection guarantee because of a production loss and/or a loss of revenue.

Assume a 4,000 pound per acre APH yield, 75-percent coverage level, 100 percent of the price, a Projected price of \$0.2079, a Harvest price of \$0.1616, and basic unit coverage.

Yield Protection

4,000	APH yield pounds/acre
<u>x 0.75</u>	Coverage level
3,000	Pound guarantee
<u>x \$0.2079</u>	Projected price
\$623.70	Insurance guarantee
1,500	Pounds per acre produced
<u>x \$0.2079</u>	Projected Price
\$311.85	Value of production
\$623.70	Insurance guarantee
<u>- \$311.85</u>	Value of production
\$312.00	Gross indemnity

Revenue Protection

4,000	APH yield pounds/acre
<u>x 0.75</u>	Coverage level
3,000	Pound guarantee
<u>x \$0.2079</u>	Price used to determine value
\$623.70	Insurance guarantee

1,500	Pounds per acre produced
<u>x \$0.1616</u>	Harvested Price
\$242.40	Value of production
\$623.70	Insurance guarantee
<u>- \$242.40</u>	Value of production
\$381.00	Gross indemnity

The price used to determine value in the revenue protection example is the higher of projected price or harvest price. Figures shown per acre. Guarantees and losses are paid by unit. See policy provisions or ask your crop insurance agent for more 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/.

Contact Us

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