

## Topeka Regional Office — Topeka, KS

Revised April 2014

# Grain Sorghum

## Kansas

### Crop Insured

Grain sorghum is insurable if:

- It is grown in the county on insurable acreage;
- Premium rates are provided;
- You have a share;
- It is adapted to the area based on days to maturity and compatible with agronomic and weather conditions in the area;
- It is a combine-type hybrid grain sorghum (grown from hybrid seed);
- It is not a dual-purpose type of grain sorghum (a type used for both grain and forage), unless a written agreement allows insurance of such grain sorghum; and
- It is planted for harvest as grain under the Common Crop Insurance Policy.

Grain sorghum is not insurable if it is non-irrigated on acreage where:

- A perennial hay crop was harvested;
- A crop (other than a cover crop) reached the headed or budded stage prior to termination, regardless of the percentage of plants that reach the headed or budded stage;
- It follows a cover crop that does not meet the criteria outlined in the Insurance Availability section of the Special Provisions;
- It is interplanted with another crop except as allowed in section 5(b)(1) of the Coarse Grains Crop Provisions (unless written agreement); or
- It is planted into a grass or legume, unless excepted by the Natural Resources Conservation Service cover crop guidelines.

Contact a crop insurance agent for more details.

### Counties Available

Grain sorghum insurance is available in all Kansas counties.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions;

- Fire;
- Wildlife;
- 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;
- Earthquake;
- Volcanic eruption; or
- 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.

### Important Dates

Sales Closing/Cancellation Date.....March 15, 2014  
 Earliest Planting Date.....Varies by County  
 Final Planting Date.....Varies by County  
 Acreage Report Date.....July 15, 2014  
 Premium Billing.....August 15, 2014  
 End of Insurance.....December 10, 2014

### Insurance Period

Insurance coverage begins on the later of:

- Date your application is accepted; or
- Date when the grain sorghum 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.

### Reporting Requirements

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

### Coverage Levels and Premium Subsidies

Grain sorghum 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 Factors | Enterprise Unit | 0.800 | 0.800 | 0.800 | 0.800 | 0.800 | 0.770 | 0.680 | 0.530 |
|                 | 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 |
|                 | Whole Farm Unit | 0.800 | 0.800 | 0.800 | 0.800 | 0.800 | 0.800 | 0.710 | 0.560 |

If you select the 0.75 coverage level and enterprise units, your coverage will be 75-percent of your approved actual production history (APH) yield, the premium subsidy is 77 percent, and your premium share is 23 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. The Whole Farm Unit is not available for the Yield Protection Plan.

### 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. Kansas grain sorghum prices are based on the December futures market price for corn. The projected price discovery period is February 1 through February 28. The harvest price discovery period is October 1 through October 31. The price percentage relationship between grain sorghum and corn, as determined by RMA, and rounded to the nearest whole cent, will be available in the Price Discovery Reporting application on RMA's website. These prices are 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](http://www.rma.usda.gov/tools/pricediscovery.html).

The contract price is only available for certified organic grain sorghum. See the Contract Price Addendum for details.

### Insurance Units

**Basic Unit** - A basic unit includes all of your insurable grain sorghum 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. The 10 percent premium discount will not apply.

**Enterprise Unit** - Generally, all insured crop acreage in a county. Premium discounts apply.

**Whole Farm Unit** - Generally, all the insured crops in the county that are covered by the insurance plan. Premium discounts apply (Not available with the Yield Protection Plan).

### Insurance Plans

#### Common Crop Insurance Policy Basic Provisions

**Yield Protection Plan** is an insurance plan that only provides protection against a production loss and is available only for crops for which revenue protection is available.

**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** is an 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.

### Area Risk Protection Insurance (ARPI) Basic Provisions

ARPI may not be available in every county. Some of the information on this fact sheet does not apply. For more information see the ARPI fact sheet at:

[www.rma.usda.gov/pubs/rme/arpi.pdf](http://www.rma.usda.gov/pubs/rme/arpi.pdf).

### Replant Provisions

A replanting payment is allowed only if the crop is damaged by a covered cause of loss so the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the bushel guarantee, or 7 bushels times your price election. No replanting payment will be made on acreage first planted before the earliest planting date. 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.

### 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.

### Trend-Adjusted APH Yield Option

The Trend-Adjusted APH Yield Option adjusts yields in APH databases to reflect increases in yields through time in the county. Trend adjustments are made on each eligible yield within a qualifying APH database based on the county's historical yield trend, which is provided in the county actuarial documents.

The approved APH yield is calculated using trend-adjusted yields, as well as any other applicable yields, within the APH database. It may not be available for all practices, and the factor may vary by practice. This option is not available under CAT or for ARPI plans of insurance.

### Loss Example

Under yield protection a loss occurs when the bushels of grain sorghum 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 70 bushel per acre APH yield, 75 percent coverage level, 100 percent of the price, a projected price of \$5.53, a harvested price of \$4.30, and basic unit coverage.

#### Yield Protection

|                   |                           |
|-------------------|---------------------------|
| 70                | APH yield bushels/acre    |
| <u>x 0.75</u>     | Coverage level            |
| 52.5              | Bushel guarantee          |
| <u>x \$5.53</u>   | Projected price           |
| \$290.33          | Insurance guarantee       |
| 20                | Bushels per acre produced |
| <u>x \$5.53</u>   | Projected Price           |
| \$110.60          | Value of production       |
| <br>              |                           |
| \$290.33          | Insurance guarantee       |
| <u>- \$110.60</u> | Value of production       |
| <b>\$180.00</b>   | <b>Gross indemnity</b>    |

#### Revenue Protection

|                 |                               |
|-----------------|-------------------------------|
| 70              | APH yield bushels/acre        |
| <u>x 0.75</u>   | Coverage level                |
| 52.5            | Bushel guarantee              |
| <u>x \$5.53</u> | Price used to determine value |
| \$290.33        | Insurance guarantee           |

|                   |                           |
|-------------------|---------------------------|
| 20                | Bushels per acre produced |
| <u>x \$4.30</u>   | Harvested Price           |
| \$ 86.00          | Value of production       |
| <br>              |                           |
| \$290.33          | Insurance guarantee       |
| <u>- \$ 86.00</u> | Value of production       |
| <b>\$204.00</b>   | <b>Gross indemnity</b>    |

The price used to determine value in the revenue protection example above is the higher of projected price or the 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/](http://www3.rma.usda.gov/apps/agents/).

### Contact Us

USDA/Risk Management Agency  
Topeka Regional Office  
2641 SW Wanamaker Rd., Suite 201  
Topeka, KS 66614  
Telephone: (785) 228-5512  
Fax: (785) 228-1456  
E-mail: [rsoks@rma.usda.gov](mailto:rsoks@rma.usda.gov)

### Download Copies from the Web

Visit our online publications/fact sheets page at: [www.rma.usda.gov/aboutrma/fields/ks\\_rso/](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, 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.