

## Topeka Regional Office — Topeka, KS

Revised November 2015

# Grapes

## Colorado

### Crop Insured

Grapes are insurable if:

- They are irrigated insurable types listed in the special provisions;
- They have premium rates;
- You have a share;
- They are grown for wine, juice, raisins, or canning (if such grapes are put to another use, such as table grapes, they will be counted as production-to-count);
- They are grown in a vineyard that, if inspected, is considered acceptable by us;
- They have reached the fourth growing season after being set out and the third growing season after being grafted; and
- They have produced an average of at least two tons of grapes per acre in at least 1 of the 3 crop years immediately before the insured crop year, unless we inspect and allow insurance on acreage that has not produced this amount.

### Counties Available

Grapes are insurable in Mesa County. Coverage in other counties may also be available by written agreement if certain criteria are met, including records for at least 3 years of production history. Contact a crop insurance agent for more information.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Earthquake;
- Failure of the irrigation water supply due to a covered cause of loss during the insurance period;
- Fire, unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the orchard;
- Insects, but not damage due to insufficient or improper application of pest control measures and Phylloxera infestation, regardless of cause;
- Plant disease, but not damage due to insufficient or improper application of disease control measures;

- Volcanic eruption;
- Wildlife; or
- All other natural causes of loss that cannot be prevented.

### Insurance Period

For the application year, coverage begins on;

- November 21; or
- The day immediately following the end of the insurance period for the prior crop year, for each subsequent crop year that the policy remains continuously in force.

Coverage ends with the earliest occurrence of one of the following:

- Total destruction of the insured crop;
- Harvest of the insured crop;
- Final adjustment of a loss on a unit;
- November 1; or
- Abandonment of the insured crop.

### Important Dates

Sales Closing/Cancellation .....	November 20, 2015
Production Reporting Date .....	January 15, 2016
Acreage Report Date .....	January 15, 2016
Premium Billing .....	August 15, 2016
End of Insurance .....	November 1, 2016

### Reporting Requirements

**Acreage Report** - A report of all your grape acreage, by type, in the county is due to your crop insurance agent by the acreage reporting date.

### Definitions

**Type** - A category of grapes designated in the special provisions.

**Variety** - A kind of grape that is distinguished from any other by unique characteristics such as, but not limited to, size, color, skin thickness, acidity, flavors, and aromas.

Insurable varieties are:

- **Group A** - Cabernet, Chardonnay, Merlot, Pinot, Shiraz-Syrah, and Viognier varieties.

- **Group B** - All other varieties not contained under Group A.

### Coverage Levels and Premium Subsidies

You may choose only one coverage level and price election for each grape type in the county. The coverage level you choose for each grape type is not required to have the same percentage relationship.

The price elections you choose for each type are not required to have the same percentage relationship to the maximum price election we offer for each type. For example, if you choose the 75-percent coverage level and 100 percent of the maximum price election for one type, you may choose the 65-percent coverage level and 75 percent of the maximum price election for another type.

The grapes policy guarantees a certain amount of production, depending on the level of coverage you choose. Crop insurance premiums are subsidized as shown in the table. For example, if you choose the 75-percent coverage level, the premium subsidy is 55 percent and your premium share is 45 percent of the base premium.

Subsidy Factor	Percent								
Coverage Level	CAT	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Basic Unit	1.000	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

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

If you choose the CAT insurance level for any grape type, the CAT coverage level applies to all insured grape acreage in the county. CAT coverage is available at 50 percent of your actual production history (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, regardless of the acreage.

### Price Elections

The price at which you are compensated per ton in the event of a loss, based on the percentage of the established price you have chosen. Price election percentage choices for this crop year are 55 percent to 100 percent of the prices shown. The established price for grapes in Colorado is:

Group A .....	\$1,635 per ton
Group B .....	\$1,270 per ton

The price used to determine your indemnity on unharvested acreage is the price election minus the harvest cost (\$160 per ton).

### Insurance Units

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

**Optional Unit** - A basic unit may be divided into optional units if each optional unit is:

- Located on non-contiguous land; or
- By type.

### Insurance Plans

APH is the only insurance plan available for grapes. The production guarantee is based on your individual yield history.

### APH Yield Exclusion

The Yield Exclusion option, when elected, allows you to exclude yields from your actual production history when the actuarial documents provide that the county average yield for that crop year is at least 50 percent below the 10 previous consecutive crop years' average yield. A crop year that has been determined eligible for exclusion in a county will also be eligible for exclusion in contiguous counties. Producers who have either CAT or buy-up insurance policies can use this program. For more information go to the APH Yield Exclusion fact sheet at [www.rma.usda.gov/pubs/rme/aphye.pdf](http://www.rma.usda.gov/pubs/rme/aphye.pdf).

### Loss Example

A loss occurs when the crop production falls below the guaranteed tonnage amount because of damage from a covered cause of loss. Assume a mature grape loss at the 65-percent coverage level, a 100-percent price election for Group A of \$1,635.00, and an approved APH yield of 2.5 tons per acre.

	2.5	Tons/acre APH yield
x	0.65	Coverage level
	1.63	Tons/acre guarantee
x	10.0	Acres
	16.3	Tons/acre unit guarantee
-	10.0	Tons harvested production
	6.3	Tons loss
x	\$1,635.00	Price election
	\$10,301.00	Unit indemnity
x	1.000	Share
	<b>\$10,301.00</b>	<b>Final unit indemnity</b>

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 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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