

## Topeka Regional Office — Topeka, KS

Revised November 2015

# Peaches

## Colorado

### Crop Insured

Peaches are insurable if:

- They are irrigated (including nectarines) in the county and are grown on insurable acreage;
- They have premium rates;
- You have a share;
- They are grown on tree varieties that are commercially available when the trees were set out, they are a variety that has a chilling hour requirement that is appropriate for the area, and are grown on a root stock that is adapted to the area;
- They are grown for the production of fresh peaches;
- They are grown in an orchard that, if inspected, is considered acceptable by us; and
- The trees have reached at least the fourth growing season after set out, but we may agree, in writing, to insure acreage that has not reached this age if it has produced at least 100 bushels of peaches per acre.

### Counties Available

Peaches are insurable in Delta, Mesa, and Montrose 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 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;
- An insufficient number of chilling hours to effectively break dormancy;
- Plant disease, but not damage due to insufficient or improper application of disease control measures;

- Volcanic eruption;
- Wildlife, unless control measures have not been taken; 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;
- September 30;
- Abandonment of the insured crop; or
- As otherwise specified in the special provisions.

### Important Dates

Sales Closing .....	November 20, 2015
Cancellation Date .....	November 20, 2015
Acreage Report Date .....	January 15, 2016
Production Reporting Date .....	January 15, 2016
Premium Billing .....	August 15, 2016
End of Insurance .....	September 30, 2016

### Reporting Requirements

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

### Definitions

**Leaf Year** - To determine leaf year, subtract the set out year from the calendar year of insurance (or actual production history crop year for yield substitution purposes) then add 1 year.

**Loss in Quality** - When the crop is damaged so that you

do not receive the average price for U.S. Extra No. 1 Peaches.

**Production Guarantee** - Number of bushels guaranteed per acre determined by multiplying your approved yield per acre by the coverage level percentage you choose. Yields are based on actual production history (APH) records reported to your insurance provider.

**Set Out Year** - The set out year for APH reporting is the actual calendar year for acreage planted before July 1. For acreage planted on or after July 1, the set out year is the year following the calendar year in which set out actually occurred.

**Post Production Cost** - The costs specified in the special provisions that are associated with activities that occur during harvesting, packing, transportation, and marketing.

### Coverage Levels and Premium Subsidies

You may choose only one coverage level for all fresh peach acreage. The peach 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
Basic Unit	1.000	0.670	0.640	0.640	0.590	0.590	0.550
Optional Unit		0.670	0.640	0.640	0.590	0.590	0.550

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 coverage 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, regardless of the acreage.

### Price Elections

The price at which you are compensated per bushel 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 peaches in Colorado is:

Fresh Fruit .....	\$37.25 per bushel
Post Production Cost Amount .....	\$8.90 per bushel

The contract price is only available for certified organic peaches. See the Contract Price Addendum at [www.rma.usda.gov/policies/2014/14cpa-r.pdf](http://www.rma.usda.gov/policies/2014/14cpa-r.pdf) for details.

### Insurance Units

**Basic Unit** - A basic unit includes all of your insurable peach 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 varietal group.

### Insurance Plans

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

### Supplemental Coverage Option (SCO)

SCO is a crop insurance option that provides additional coverage for a portion of your underlying crop insurance policy deductible. The amount of SCO coverage depends on the liability, coverage level, and approved yield of your underlying policy. For more information go to the SCO fact sheet at [www.rma.usda.gov/pubs/rme/2016sco.pdf](http://www.rma.usda.gov/pubs/rme/2016sco.pdf).

### 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 is also 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).

### Replant Provisions

No replant payment is available.

### Late and Prevented Planting

The late and prevented planting provisions of the basic provisions are not applicable.

### Loss Example

A loss occurs when crop production falls below the guaranteed bushel amount because of damage from a covered cause of loss. Mature, marketable, peach production may be reduced because of a loss in quality due to an insured cause of loss. The amount of production-to-count for such peaches is determined for fresh peaches by dividing the value of the damaged peaches minus the post production cost, specified in the special provisions, by the fresh peach price election and multiplying the result (not more than 1.00) by the number of bushels of the damaged fresh peaches.

Assume a final stage loss at the 65-percent coverage level, a 100-percent price election of \$37.25 and an approved APH yield of 100 bushels per acre.

	100	Bushels per acre APH yield
x	0.65	Coverage level
	65	Bushels per acre guarantee
x	100	Acres
	6,500	Bushels per acre unit guarantee
-	4,500	Harvested production
	2,000	Bushels loss
x	\$37.25	Price election
	\$74,500	Unit indemnity
x	1.000	Share
	<b>\$67,000.00</b>	<b>Final unit indemnity</b>

Guarantees and losses are paid by unit. See the 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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