

## St. Paul Regional Office — St. Paul, MN

Revised February 2014

# Dry Beans

## Minnesota

### Crop Insured

All the dry beans grown in the county are insurable if:

- Grown in the county on insurable acreage;
- Premium rates are provided;
- You have a share; and
- Planted for harvest as dry beans.

Other types or practices are not insurable unless a written agreement provides for such insurance.

Contact your crop insurance agent for details on requesting a written agreement.

### Counties Available

See actuarial documents at [http://](http://prodwebnlb.app.rm.usda.gov/apps/ActuarialInformationBrowser2014/CropCriteria.aspx)

[prodwebnlb.app.rm.usda.gov/apps/ActuarialInformationBrowser2014/CropCriteria.aspx](http://prodwebnlb.app.rm.usda.gov/apps/ActuarialInformationBrowser2014/CropCriteria.aspx)

for insurable counties. The crop may be insurable in other counties by written agreement if specific criteria are met. Contact an insurance agent for more details.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions such as natural perils of hail, frost, freeze, wind, drought, and excess moisture;
- Failure of irrigation water supply, if caused by an insured peril during the insurance period;
- Fire, if due to natural causes;
- Insects and plant disease, but not damage due to insufficient or improper application of pest or disease control measures; or
- Wildlife.

### Insurance Period

Insurance coverage begins on the date the dry beans are planted, and ends with 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
- October 31, 2014.

### Reporting Requirements

**Acreage Report** - You must give a report of all your dry bean acreage in the county by the acreage reporting date.

### Important Dates

Sales Closing Date..... March 15, 2014  
 Earliest Planting Date ..... April 26, 2014  
 Final Planting Date ..... June 10, 2014  
 Acreage Reporting Date..... July 15, 2014  
 Premium Billing Date ..... August 15, 2014  
 Production Reporting Date..... April 29, 2015

### Definitions

**APH Yield** - Actual production history (APH) yield used to determine the production guarantee. The APH yield is based on up to 10 years of actual and/or assigned yields.

**Unit** - The insurable acreage used to determine the APH yield, the production guarantee, and any indemnity (loss payment).

**Production Guarantee** - Number of pounds guaranteed per unit. Multiply your APH yield per acre by the coverage level percentage you select by the number of acres in the unit.

**High Risk Land (HRL)** - Land designated on a map in the actuarial documents with a high risk rate classification, requiring a higher premium rate due to higher risk.

**HRL Exclusion Option** - An agreement to exclude from crop insurance coverage all high risk land by crop and county. You must submit the signed form by the sales closing date. Catastrophic Risk Protection (CAT) coverage is still available when this option is in effect.

## Coverage Levels and Premium Subsidies

Dry beans may be insured at the coverage levels shown in the following table. Crop insurance premiums are subsidized as shown. For example if you select the 75-percent coverage level, your coverage is 75 percent of your approved APH yield, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium.

Item	Percent							
Coverage Level	50	55	60	65	70	75	80	85
Subsidy	67	64	64	59	59	55	48	38
Your Share	33	36	36	41	41	45	52	62

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. Administrative fees, in addition to premium costs, for coverage levels above CAT are \$30 per crop per county.

## Price Election

Price of compensation per pound in case of loss: Projected prices and harvest prices for Black, Dark Red Kidney, Navy, and Pinto types will be determined as shown in Section 7(e) of the Dry Bean Revenue Endorsement. These types have true revenue coverage.

Projected Prices for Types not covered under Section 7(e) of the Revenue Endorsement:

Great Northern .....	\$0.32 per pound
Pink .....	\$0.31 per pound
Small Red .....	\$0.33 per pound
Cranberry .....	\$0.38 per pound
Light Red Kidney .....	\$0.40 per pound
White Kidney .....	\$0.40 per pound

## Unit Division

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

**Optional Unit (OU)** - If a basic unit consists of two or more sections of land, and certain recordkeeping requirements are met, you may apply for optional units by section. In addition to, or instead of, establishing optional units by section, optional units may be established for each dry bean type insurable in the county. The 10-percent premium discount will not apply.

## Plans of Insurance

One policy provides the choice of Plans (01)-(03): **Yield Protection (01)** - Production guarantee based on individual yield history. Optional and basic units are available.

**Revenue Protection (02)** - Revenue protection including price protection. Optional and basic units are available.

**Revenue Protection with Harvest Price Exclusion (03)** - Revenue protection with harvest price exclusion. Optional and basic units are available.

## Replant Provisions

A replanting payment is allowed only if the crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your production guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 10 percent of the production guarantee or 120 pounds, times your price election, and times your share. No replanting payment will be made on acreage initially planted prior to the earliest planting date. Replanting payments are not available with CAT coverage.

## Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Please contact a crop insurance agent for details.

## Loss Example

**Yield Protection Example:** A loss occurs when the pounds of dry beans produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes a 1,600 pounds per acre APH yield for Navy type, 65-percent coverage level, and basic unit coverage.

1,600	Pounds per acre APH yield
x 0.65	Coverage level
1,040	Pound guarantee
- 700	Pounds per acre actually produced
340	pounds per acre loss
x \$0.36	Projected price (est.- announced in March)
\$122.40	Gross indemnity
- \$15.00	Est. producer premium per acre (varies)
\$107.40	Net indemnity

## Revenue Protection Example:

1040	Pounds (see yield example)
x \$0.36	Projected price (est.- announced in March)
\$374.40	Guarantee

700	Pounds per acre actually produced
x \$0.33	Harvest price (est. - announced in Nov.)
\$231.00	Revenue
\$143.40	Gross indemnity (\$374.40 -\$231.00)
- \$18.00	Est. producer premium per acre (varies)
<b>\$125.40</b>	<b>Net indemnity</b>

Figures shown on a per acre basis; guarantees and losses paid are on a unit basis. See policy provisions.

## 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

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