Tart Cherry Pilot

Wisconsin

Crop Insured

All tart cherries are insurable if:

- They are grown in the county on insurable acreage;
- They are grown for processing;
- A premium rate is provided by the actuarial documents;
- You have a share;
- The varieties (scion and rootstock) are adapted to the area;
- They are grown in an orchard that meets the conditions of insurability contained in the Special Provisions; and
- The orchard is considered acceptable by RMA.

This fact sheet applies only to the available Common Crop Insurance policy plans of insurance. Contact a crop insurance agent for further explanation.

Counties Available

Tart cherries are insurable only in Door County.

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 unless the undergrowth or pruning debris is not controlled or removed;
- Plant disease and insects, but not damage due to insufficient or improper application of pest or disease control measures or no pesticides effective on insect or plant disease are registered with the EPA and labeled for the use on cherries;
- Wildlife; and
- Inadequate market price on sold tart cherries for processing which are valued with the annual price procedure.

Insurance Period

Insurance coverage begins on the later of:

- Ten days after your properly completed application is received; or
- November 21.

Insurance coverage 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
- August 15.

In addition, the calendar date for the end of the insurance period for the loss of revenue due to an inadequate market price is January 15 following harvest.

Important Dates

Sales Closing	November 20, 2015
Insurance Begins	August 16, 2015
Revenue Reporting	January 15, 2016
Acreage Reporting	January 15, 2016
Premium Billing	August 15, 2016
Insurance Ends at harvest or	August 15, 2016
Insurance Ends - Revenue Loss	January 15, 2017

Definitions

Annual Revenue - The average revenue, per insured acre, is based on a 100 percent share equivalent for a crop year. It is calculated from the records you submit and indemnity claims that you sign (if applicable). Any costs you may have for cooling, sorting, culling, packing, or any other activities that occur after the production has been harvested and delivered cannot be included in the annual revenue.

Base Period - The number of crop years included on your acreage, production, and revenue reports. The number of crop years cannot exceed 10 consecutive crop years before the crop year that the approved revenue is being established.

Inadequate Market Price - A price that results in annual revenue less than your insurance amount, per acre.

Expected Revenue Factor - A value RMA determines reflecting the likely revenue per acre with a normal yield and an anticipated price. A factor is used to adjust your approved revenue when the amount of insurance, per acre, is determined.

Payment Factor - The percentage of the price that you receive in the event of a loss. You select the payment factor.

Coverage Levels and Premium Subsidies

Tart cherries may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown. For example, if you select the 75-percent coverage level, your coverage will be 75 percent of your approved revenue, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium. Administrative fees, in addition to premium costs, are $30 per crop per county.

Item	Unit	Percent					
Cov. Level		50	55	60	65	70	75
Subsidy	BU	67	64	64	59	59	55
	OU	67	64	64	59	59	55

BU - Basic Unit OU - Optional Unit

Unit Division

Basic Unit (BU) - A basic unit includes all of your insurable tart cherry acreage in the county by share arrangement and type. Premiums discounts apply.

Optional Unit (OU) - Optional units may be established only for tart cherry acreage located on non-contiguous land, separated by tracts of other ownership. Optional units are not allowed by section, section equivalent, FSA farm serial number, or for irrigated or non-irrigated practices.

Plans of Insurance

The Actual Revenue History (ARH) plan is the only insurance plan available for tart cherries. The production guarantee is based on your individual revenue history. The Catastrophic Risk Protection (CAT) endorsement coverage is not available.

Minimum Production Requirements

Tart cherries grown on acreage that has produced at least 2,100 pounds per acre in one of the five previous crop years.

Revenue Certification and Acceptability

Revenue reports must:

- Contain the planted acreage for annual crops and insurable acreage for perennial crops for each crop year;
- Identify production harvested, production sold, and any appraised production;
- Identify the revenue realized from sales of a crop; and
- Be supported by written, verifiable records, measurement of farm stored production, or other records approved by Federal Crop Insurance Corporation (FCIC).

Loss Example

Assume 100-percent share in 10 acres of tart cherries and a single unit. You certify revenue for five of the most recent crop years at $900 per acre and RMA provides an expected revenue factor of 1.00. You chose the 75-percent coverage level and a payment factor of 85 percent.

	$900	Certified revenue
x	0.75	Coverage level
x	1.00	Revenue factor
x	0.85	Payment factor
	$574	Total amount of liability per acre

	$900	Certified revenue
x	0.75	Coverage level
x	1.00	Revenue factor
	$675	Total expected value per acre

You harvest a normal crop, but an inadequate market price causes your revenue-to-count to be only $4,000. The indemnity is calculated as:

	10	Acres
x	$675	Total expected value per acre
	$6,750	Total amount of insurance
-	$4,000	Revenue to count
	$2,750	Difference
x	0.85	Payment factor
	$2,338	**Indemnity due to policyholder**

Guarantees and losses are paid by unit. See policy provisions or talk to your 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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