

St. Paul Regional Office — St. Paul, MN

Revised February 2018

Processing Beans

Minnesota and Wisconsin

Crop Insured

You can insure snap or lima type processing beans if:

- They are grown on insurable acreage;
- Premium rates are provided;
- You have a share; and
- They are grown under, and in accordance with, a processor contract.

Counties Available

See counties available in the actuarial documents at webapp.rma.usda.gov/apps/actuarialinformationbrowser2018/CropCriteria.aspx.

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 hail, frost, freeze, wind, drought, and excess moisture, including:
 - ♦ excess moisture that prevents harvesting equipment from entering the field or prevents the timely operation of harvesting equipment; or
 - ♦ abnormally hot or cold temperatures that cause an unexpected number of acres over a large producing area to be ready for harvest at the same time, affecting the timely harvest of a large number of acres or the processing of such production is beyond the capacity of the processor, either of which causes the acreage to be bypassed;
- Failure of irrigation water supply, if caused by an insured cause of loss 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 later of:

- Date we accept your application; or
- Date when the processing beans are planted.

Insurance coverage ends at the earliest of:

- Total destruction of the crop;
- Date the crop should have been harvested, but was not;
- Abandonment of the crop;
- Harvest of the crop;
- The date you fulfill your processor contract if the contract stipulates a specific amount of production to be delivered;
- Final adjustment of a loss;
- September 20, 2018 for snap beans; or
- October 5, 2018 for lima beans.

Important Dates

Sales Closing/Cancellation.....	March 15, 2018
Final Planting (limas)	June 25-30, 2018
Final Planting (snap)	July 15-25, 2018
Acreage Reporting.....	Varies by county
Premium Billing	September 15, 2018
Production Reporting	April 29, 2019

Reporting Requirements

Acreage Report - You must report all of your processing bean acreage in the county and provide a copy of all processor contracts by the acreage reporting date.

Coverage Levels and Premium Subsidies

Crop insurance premiums are subsidized as shown in the following table. For example if you select the 75-percent coverage level, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium.

Coverage Level (percent)		50	55	60	65	70	75	80	85
Subsidy Factor	Basic Unit	67	64	64	59	59	55	48	38
	Optional Unit	67	64	64	59	59	55	48	38

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Price Election

A price election is the price you are paid per ton if you have a loss. This is based on the percentage of established price you chose.

Established prices:

Limas.....	\$460.00 per ton
Snap.....	\$160.00 per ton
Limas (Organic Certified)	\$460.00 per ton
Snap (Organic Certified)	\$160.00 per ton

Unit Division

Basic Unit (BU) - If the processor contract specifies the number of acres to be planted, a basic unit consists of all your insurable processing bean acreage in the county by share arrangement. If the processor contract specifies the amount of production to be delivered, a basic unit consists of all acreage planted to the insured crop in the county that will be used to fulfill contracts with each processor. Premiums discounts apply.

Optional Unit (OU) - If the processor contract specifies the number of acres to be planted, and if a basic unit consists of land in two or more sections and certain record keeping requirements are met, you may apply for optional units by section. Optional units may be established by type.

Insurance Plans

Actual Production History (APH) - Your production guarantee is based on your yield history. You have a loss when your production falls below your production guarantee.

Catastrophic Coverage (CAT) - Covers 50 percent of your APH yield and 55 percent of the projected price.

Endorsements and Options

Supplemental Coverage Option (SCO) - Provides additional coverage for a portion of your underlying crop insurance policy deductible.

Yield Cup Option - Prevents your approved APH yield from decreasing by more than 10 percent from the prior year's approved APH yield. A cup will apply to an APH database when your approved APH yield, calculated using other yield measures, is less than 90 percent of the prior year's approved APH yield. It only applies to APH databases with at least one actual or assigned yield and is only available for carryover policies. Beginning with the 2018 crop year, this option is available for an additional premium and will automatically apply to your policy for the 2018 crop year, unless you cancel the option by the crop's cancellation date. This option is continuous and remains in effect unless cancelled. Not available with CAT policies.

Late and Prevented Planting

Late Planting Period - Not applicable to processing beans.

Prevented Planting - You may receive a prevented planting payment if you are unable to plant on or before the final planting date because of an insurable cause. Your prevented planting coverage will be 40 percent of your production guarantee for timely planted acreage. You may purchase additional prevented planting coverage. Additional prevented planting coverage is not available on CAT policies.

Loss Example

This example assumes 3.4 tons per acre APH yield, 75-percent coverage level, 100 percent of the established price for Snap, and basic unit coverage.

	3.4	Tons per acre APH yield
x	0.75	Coverage level
	2.55	Tons guarantee
-	1.1	Actual tons per acre produced
	1.45	Ton per acre loss
x	\$160.00	Price election
	\$232.00	Indemnity

Figures shown on a per acre basis. Guarantees and losses paid are on a unit basis. Your premium will be deducted from any indemnity payment. 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 www.rma.usda.gov/tools/agent.html.

Contact Us

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