

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

Revised September 2017

# Tart Cherry Pilot

## Wisconsin

### Crop Insured

You can insure tart cherries if:

- They are grown for processing;
- You have a share;
- The varieties (scion and rootstock) are adapted to the area;
- The orchard is considered acceptable by us; and
- They are grown on acreage that has produced at least 2,100 pounds per acre in 1 of the 5 previous crop years.

### Counties Available

Tart cherries are insurable only in Door County.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions such as hail, frost, freeze, wind, drought, and excess moisture;
- Failure of irrigation water supply, if caused by an insured cause of loss 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.

### Insurance Period

Insurance coverage begins on the later of:

- 10 days after we accept your application; or
- November 21, 2017.

For carryover policies, coverage begins on the day immediately following the end of the insurance period for the prior crop year.

Coverage ends at the earliest of:

- Total destruction of the crop;
- Harvest of the unit;

- Final adjustment of a loss;
- Abandonment of the crop; or
- August 15, 2018.

For revenue loss due to an inadequate market price, coverage ends January 15, 2019.

### Important Dates

Sales Closing/Cancellation .....	November 20, 2017
Revenue Reporting.....	January 15, 2018
Acreage Reporting .....	January 15, 2018
Premium Billing.....	August 15, 2018

### Reporting Requirements

**Revenue Report** - You must submit revenue reports to your agent by the revenue reporting date. Revenue reports must:

- Contain the planted acreage for annual crops and insurable acreage for perennial crops for each crop year;
- Identify production harvested, sold, and any appraised production;
- Contain the amount of revenue from sales; and
- Be supported by written, verifiable records, measurement of farm stored production, or other approved records.

**Acreage Report** - You must report all of your acreage to your insurance agent by the acreage reporting date.

### Definitions

**Annual Revenue** - Your average revenue per insured acre, based on a 100-percent share equivalent for a crop year. It is calculated from the records you submit and indemnity claims you sign.

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

**Expected Revenue Factor** - Your likely revenue per acre with a normal yield and an anticipated price.

**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

Crop insurance premiums are subsidized as shown in the following 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.

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

## 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 for tart cherry acreage:

- Located on non-contiguous land, or
- Established by type.

Optional units are not allowed by section, section equivalent, FSA farm serial number, or by irrigated or non-irrigated practices.

## Insurance Plans

**Actual Revenue History (ARH)** - The only insurance plan available for tart cherries. Your production guarantee is based on your individual revenue history.

Catastrophic Risk Protection (CAT) coverage is not available for the Tart Cherry Pilot Program.

## Loss Example

This example assumes 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 \$1912 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.

$$\begin{array}{r}
 \$1912 \text{ Certified revenue} \\
 \times \quad 0.75 \text{ Coverage level} \\
 \times \quad 1.00 \text{ Revenue factor} \\
 \underline{\times \quad 0.85 \text{ Payment factor}} \\
 \$1219 \text{ Total amount of liability per acre}
 \end{array}$$

$$\begin{array}{r}
 \$1912 \text{ Certified revenue} \\
 \times \quad 0.75 \text{ Coverage level} \\
 \underline{\times \quad 1.00 \text{ Revenue factor}} \\
 \$1434 \text{ Total expected value per acre}
 \end{array}$$

You harvest a normal crop, but an inadequate market price causes your revenue-to-count to be only \$8,000. The indemnity is calculated as:

$$\begin{array}{r}
 10 \text{ Acres} \\
 \underline{\times \quad \$1434 \text{ Total expected value per acre}} \\
 \$14,340 \text{ Total amount of insurance} \\
 - \quad \$8,000 \text{ Revenue to count} \\
 \hline
 \$6,340 \text{ Difference} \\
 \underline{\times \quad 0.85 \text{ Payment factor}} \\
 \mathbf{\$5,389 \text{ Indemnity}}
 \end{array}$$

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](http://www.rma.usda.gov/tools/agent.html).

## Contact Us

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