

## Jackson Regional Office — Jackson, MS

Revised January 2016

# Burley Tobacco Kentucky and Tennessee

### Crop Insured

Tobacco is insurable in the county if:

- You have a share;
- Premium rate is provided by the actuarial documents; and
- It is type 31 burley.

### Counties Available

Burley tobacco is insurable in most counties in Kentucky and Tennessee. For a list of available counties, see actuarial documents at:

[www.webapp.rma.usda.gov/apps/actuarialinformationbrowser](http://www.webapp.rma.usda.gov/apps/actuarialinformationbrowser).

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 including natural perils such as hail, frost, freeze, wind, drought, and excess moisture;
- Earthquake;
- Failure of the irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period;
- Fire, if caused by an insured peril during the insurance period;
- Insects, but not damage due to insufficient or improper application of control measures;
- Plant disease, but not damage due to insufficient or improper application of control measures;
- Volcanic Eruption; or
- Wildlife.

### Insurance Period

Coverage begins at transplanting and ends at the earliest occurrence of one of the following:

- Total destruction of the tobacco on the unit;
- Removal of the tobacco from the unit where grown,

except for curing, grading and packing;

- Abandonment of the crop on the unit;
- Final adjustment of the loss on the unit; or
- The calendar date for the end of the insurance period for burley - February 28, 2017.

### Important Dates

Sales Closing .....March 15, 2016  
Cancellation Date .....March 15, 2016  
Final Planting Date.....June 20, 2016  
Acreage Report Date .....July 15, 2016

### Reporting Requirements

You must timely report to your agent, all acres of the crop, in the county, in which you have a share, by the acreage reporting date.

### Final Harvest Date

Your tobacco must be harvested and hung in a curing facility no later than October 20. You must notify us in writing no later than October 20 if you do not intend to harvest any of your insured tobacco acreage. Any tobacco acreage that is not harvested and hung in a curing facility by October 20:

- Will not be eligible for quality adjustment;
- That is damaged by an insurable cause of loss prior to October 20, will be considered to have been damaged solely by uninsured causes unless it is appraised by us (our appraisal will be used in determining any indemnity you may be due); and
- Will not be covered for any cause of loss that occurs after October 20.

### Discount Factor Chart

Please be aware that a new Discount Factor Table on the Special Provisions of Insurance applies for the 2016 Crop Year.

## Coverage Levels and Premium Subsidies

Catastrophic Risk Protection (CAT) coverage is available at 50 percent of your average yield and 55 percent of the established price. Additional coverage is available at 50, 55, 60, 65, 70, 75, 80 or 85 percent of your average yield and up to 100 percent of the price election. Premium subsidies are available and vary based on coverage level.

## Quality Adjustment for Burley Tobacco

In lieu of section 12(f) of the Tobacco Crop Provision, to qualify for a quality deficiency, the tobacco must be graded by a tobacco grader who is employed by the Agricultural Marketing Service who assigns a grade in accordance with USDA Official Standard Grades.

## Late and Prevented Planting Provisions

These provisions provide coverage on acreage that is planted after the final planting date. The production guarantee (per acre) for acreage planted during the late planting period will be reduced by 1 percent per day for the 1st through the 10th day and two percent per day for the 11th through the 15th day.

Prevented planting coverage will be 35 percent of your production guarantee for timely planted acreage. Additional prevented planting coverage levels are not available for tobacco.

## Loss Example

Assume a 100-percent share, 1,660 production guarantee (APH yield of 2,213 pounds/acre x the 75 percent coverage level), you plant 1 acre, price election of \$1.60/pound, and production to count is 500 pounds.

2,213	Approved yield/acre - pounds
<u>x0.75</u>	Coverage level
1,660	Per acre guarantee - pounds
1,660	Per acre guarantee - pounds
<u>- 500</u>	Production to count - pounds
1,160	Loss per acre - pounds
1,160	Loss per acre - pounds
<u>x\$1.60</u>	Price Election
<b>\$1,856</b>	<b>Indemnity Payment</b>

## 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: <http://www.rma.usda.gov/tools/agent/>.

## Contact Us

USDA/RMA

Jackson Regional Office

803 Liberty Road

Flowood, MS 39232

**Phone:** (601) 965-4771

**Fax:** (601) 965-4517

**E-mail:** [rsoms@rma.usda.gov](mailto:rsoms@rma.usda.gov)

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