



United States Department of Agriculture
Risk Management Agency

January 2013

2013 COMMODITY INSURANCE FACT SHEET

Grain Sorghum

North and South Dakota

Crop Insured

Grain sorghum planted for harvest as grain is covered under the coarse grains policy. The crop insured will be grain sorghum, grown on insurable acreage, and for which premium rates are shown on the actuarial table.

Counties Available

Grain Sorghum is insurable in Sargent County, North Dakota and many counties in central to eastern South Dakota. Grain sorghum in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire
Insects³
Plant disease³
Wildlife

¹Includes excessive moisture that prevents timely harvesting and abnormal temperatures that result in bypassed acreage because too much acreage was ready for harvest than could be feasibly harvested, or the processing of such production was beyond the capacity of the processor.

²If caused by an insured cause of loss.

³But not due to insufficient or improper application of control measures.

Insurance Period

Coverage begins when the grain sorghum is planted, and ends at the earliest of: (1) total destruction of the insured crop, (2) harvest of the insured crop, (3) abandonment of the insured crop, (4) final adjustment of a unit, or (5) the calendar date contained in the crop provisions as the end of insurance period, December 10.

Production Guarantee

Number of bushels guaranteed determined by multiplying your average yield (based on your records) times the coverage level percentage you elect.

Reporting Requirements

Acreage Report- You must report all acreage of the insured crop, both insured and uninsured.

Important Dates

Sales Closing/CancellationMarch 15
Acreage ReportingJuly 15
Premium BillingAugust 15

Trend Adjusted Yield

This option allows producers to increase their yield guarantee for an additional premium, and is based on the fact that yields have increased as technology and farm practices have improved. The option is only available in select counties. Contact your agent for more information.

Duties in the Event of Damage or Loss

(1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period.)

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your average yield. For example, an average yield of 40 bushels per acre would result in a guarantee of 30 bushels per acre at the 75 percent coverage level. Crop insurance premiums are subsidized as shown below. For example, if you select the 75 percent coverage level, your premium share would be 45 percent of the base premium:

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Catastrophic (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$300, regardless of the acreage.

Price Elections

The price basis will be according to the Commodity Exchange Price Provisions (CEPP) or the contract price (if applicable). The CEPP can be found on the RMA public Web site under the Common Crop Insurance Policy. The revenue protection projected price and (optional) harvest price are 100 percent of the projected price and harvest price issued by the FCIC.

Insurance Units

Your insurable acreage will be grouped into one or more units in order to establish the approved yield, calculate a guarantee, and determine any indemnity.

Basic Unit: A basic unit includes all of your applicable crop acreage in the county by share arrangement. Premiums are discounted by 10 percent for a basic unit.

Optional Units: If a basic unit consists of two or more sections or irrigated and non-irrigated acreage and certain record-keeping criteria are met, you may apply for optional units. The 10-percent discount will not apply.

Enterprise Units: Includes all insurable acreage of grain sorghum in the county in which you have a share (consisting of two or more basic or optional units). An additional premium discount applies.

Whole Farm Units: Includes all insurable acreage of all the insured crops planted in the county in which you have a share on the date coverage begins for each crop for the crop year and for which the whole-farm unit structure is available. A unit discount (which varies by number of acres insured) applies.

Production to Count

The total production counted for a unit includes the amount of production of any unharvested (appraised) and harvested production.

Replant Provisions

Replant provisions are applicable, with the exception of catastrophic (CAT) coverage policies.

Prevented Planting

Prevented planting coverage may be available.

Loss

A loss occurs when crop production falls below the guaranteed bushel or ton amount as a result of damage from a covered cause of loss. If, due to insurable causes, your harvested and appraised production to count (adjusted for quality) is less than your unit guarantee, an indemnity will be paid at the applicable projected price, harvest price, or catastrophic price.

Where to Purchase

All multi-peril crop insurance, including catastrophic coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at:

<http://www3.rma.usda.gov/tools/agents/>

Regional Contact for RMA

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