



United States Department of Agriculture
Risk Management Agency

February 2013

2013 COMMODITY INSURANCE FACT SHEET

Processing Beans Maryland

Crop Insured

Coverage is available for processing beans (snap and lima beans) grown under the requirements of a processor contract executed by the acreage reporting date and not excluded from the contract at any time during the year.

Note: Lima beans following snap beans harvested in the same crop year will not be insurable.

Counties Available

Processing beans are insurable in Baltimore, Caroline, Carroll, Dorchester, Harford, Kent, Queen Anne, Somerset, Talbot, and Worcester Counties. Processing beans may be insurable in other counties 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

¹Natural perils such as hail, freeze, frost, drought, wind, and excess precipitation.

²If caused by an insured peril during the insurance period.

³Except for insufficient or improper application of control measures.

Note: This policy does not cover insect or disease damage on any snap bean acreage that follows a crop of snap beans, lima beans or green peas harvested within the same crop year.

Insurance Period

Coverage begins at planting except acreage planted before **April 20th** for snap beans or **May 10th** for lima beans (April 20th in Baltimore, Carroll, and Harford Counties) **will not** be covered. Insurance will end at the earliest of:

- 1) The date the processing beans were destroyed, abandoned, harvested, or should have been harvested but were not harvested;
- 2) The date you harvest sufficient production to ful-

fill your processor contract (if the contract stipulates a specific amount of production to be delivered);

- 3) Final adjustment of a loss; or
- 4) October 15.

Reporting Requirements

An acreage report is a report of all insured acreage of processing beans. A report and a copy of all your processor contracts must be submitted to your crop insurance agent on or before the appropriate acreage report due date (See Important Dates section below).

Important Dates

Snap Beans:

Sales Closing Date March 15, 2013
Acreage Reporting Date August 15, 2013

Lima Beans (Early):

Sales Closing Date March 15, 2013
Acreage Reporting Date¹ July 15, 2013

Lima Beans (Late):

Sales Closing Date March 15, 2013
Acreage Reporting Date August 15, 2013

¹Caroline, Dorchester, Kent, Queen Anne, Somerset, Talbot, and Worcester Counties only.

Note: Lima Bean varieties: M-15, Cypress, Meadow, and C-elite Select only, will have a final planting date of July 20 and the acreage reporting date will be July 25 in Caroline, Dorchester, Kent, Queen Anne, Somerset, Talbot, and Worcester Counties.

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; and
- 3) Leave representative samples intact for each field of the damaged unit.

Definitions

Base Contract Price: The price stipulated in the processor contract for the grade factor or sieve size that is designated in the special provisions, if applicable, without regard to discounts or incentives that may apply.

Bypassed Acreage: Land on which production is ready for harvest but the processor elects not to accept such production so it is not harvested.

Good Farming Practices: The cultural practices generally in use in the county for the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee and are those required by the bean processor contract with the processing company, and recognized by the Cooperative State Research, Education, and Extension Service as compatible with agronomic and weather conditions in the county.

Production Guarantee: Number of tons guaranteed per acre determined by multiplying your average yield per acre (based on your records) times the coverage level you elect.

Price Elections

Price used to calculate your premium or indemnity:

Limas: \$500 per ton Italian: \$275 per ton
 Wax: \$275 per ton Petite: \$275 per ton
 Green and Other Unlisted Types: \$275 per ton

Coverage Levels and Premium Subsidies

Insurance is provided against a decline in your average APH yield due to the perils named in the Causes of Loss section. Coverage levels range from 50 to 75 percent of your average yield (for example, an average snap bean yield of 2 tons per acre would result in a guarantee of 1.5 tons per acre at the 75 percent coverage level) and are subsidized as shown in the following table. If you selected the 75 percent coverage level, your premium share would be 45 percent of the base premium.

Item	Percent					
	50	55	60	65	70	75
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 Risk Protection (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.

Loss Example

These examples are based snap and lima beans with approved yields of 2.5 tons and 1.2 tons respectively, 65 percent coverage level, 100 percent share, and one basic unit.

2.5*	Approve Yield per acre (tons)	1.2**
x .65	Coverage level	x .65
1.6	Acre guarantee	.8
- .5	Production-to-Count	- .3
1.1	Loss per acre	.5
x \$275	Price election	x \$500
\$303	Indemnity per acre	\$250
- \$23	Estimated Premium (varies)	- \$23
\$280	Indemnity/Acre	\$227

*Snap beans

**Lima beans

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