USDA United States Department of Agriculture

A Risk Management Agency Fact Sheet

2014 Crop Year

Raleigh Regional Office — Raleigh, NC

November 2013

Tart Cherry Pilot

New York

Crop Insured

All tart cherries in a county are insurable if:

- A premium rate is provide by the actuarial document;
- Any variety of tart cherries for processing that is adapted to the area; and
- Have produced at least 3,200 pounds per acre in at least one of the five previous years.

Plans of Insurance

The Actual Revenue History plan is the only plan of insurance available for tart cherries. The production guarantee is based on your individual revenue history. The Catastrophic Risk Protection endorsement (CAT coverage) is not available.

Counties Available

Tart cherries are insurable in Monroe, Niagara, Orleans, and Wayne counties. Contact an insurance agent for more details.

Causes of Loss

- Adverse weather conditions, including natural perils such as hail, frost, freeze, wind, drought, and excess precipitation;
- Failure of irrigation water supply if caused by insured peril during the insurance period;
- Fire if caused by insured peril during the insurance period;
- Insect damage and plant disease except for insufficient or improper application of control measures; or
- Wildlife.

Insurance Period

Coverage begins on November 21 and ends with the earliest occurrence of one of the following:

- Total destruction of the crop;
- Harvest of the crop;
- Final adjustment of a claim;
- Abandonment of the crop;
- August 15 following physical crop damage; or
- January 15 following harvest for revenue loss due to inadequate market price.

Duties in the Event of Damage or Loss

- If crop damage occurs, you must give notice within 72 hours of initial discovery of damage or loss of production, but not later than 15 days after the end of the insurance period;
- Within two days of any decision to divert any of the crop under the Federal Tart Cherry Marketing Order for supply control; or
- For a revenue loss, when there is no damage or loss of production, you must provide notice no later than March 1, the year following harvest.

Important Dates

Sales Closing Date	November 20, 2013
Revenue Report Date	January 15, 2014
Acreage Report Date	January 15, 2014
Premium Billing Date	August 15, 2014
Insurance Ends at Harvest	August 15, 2014
Insurance Ends-Revenue Loss	January 15, 2015

Definitions

Annual Revenue - The average revenue, per insured acre, is based on a 100 percent share equivalent for a crop year calculated from the records you submit and indemnity claims you have signed. Any costs you may have for cooling, sorting, culling, packing, or any other activities that occur after the production has been harvested and delivered cannot be included in the annual revenue.

Base Period - The number of crop years (up to 10 consecutive crop years) included on your acreage, production, and revenue reports.

Expected Revenue Factor - A standard value determined by RMA based on a likely revenue per acre with a normal yield and price; and used to adjust your approved revenue when establishing your amount of insurance.

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

Payment Factor - The percentage of the price that you receive in the event of a loss.

Coverage Levels and Premium Subsidies

Tart cherries may be insured at the coverage levels shown below. Crop insurance premiums are subsidized as shown. Administrative fees, in addition to premium costs, are $30 per crop per county.

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

Insurance Units

Basic Unit - A basic unit includes all of you insurable tart cherry acreage in the county by share.

Optional Unit - Optional units are allowed by non-contiguous land. Optional units are not allowed by Farm Service Agency Farm Number or for irrigated and non-irrigated practices.

Revenue Certification and Acceptability

Revenue reports must:

- Contain the insurable acreage for each crop year;
- Contain production harvested, production sold, and any appraised production;
- Identify revenue realized from sales of a crop; and
- Be supported by written, verifiable records.

Loss Example

Assume 100 percent share on 1 acre of tart cherries. Assume an approved revenue of $3,500 per acre and RMA provides an expected revenue factor of 1.00. You choose the 65 percent coverage level and a payment factor of 77 percent.

You harvest a normal crop, but an inadequate market price causes your revenue to count to be only $1,000. The indemnity is calculated as follows:

$2,275	Value per acre ($3,500 x 1.00 x 0.65 x 1.00)
– $1,000	Revenue-to-Count
$1,275	Loss per acre
x 0.77	Payment Factor
$982	**Indemnity/Acre**

Where to Buy Crop Insurance

You can buy a crop policy from an approved participating agent. A list of crop insurance agents is available at all USDA service centers and on the RMA website at: www3.rma.usda.gov/apps/agents/.

Contact Us

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