

# Regional Office — Oklahoma City, Oklahoma

September 2015

# **Barley**

# **New Mexico**

#### **Crop Insured**

All barley grown in the county is insurable if:

- Premium rates are provided;
- You have a share;
- It is planted for harvest as grain; and
- It is grown in the county on insurable ground.

Barley may not be insured if:

- It is interplanted with another crop;
- Planted into a grass or legume, unless excepted by the Natural Resources Conservation Service Cover Crop Guidelines; or
- Planted as a nurse crop, unless planted as a nurse crop for new forage seeding, but only if seeded at normal rate and intended for harvest as grain.

#### **Counties Available**

Barley is insurable in Curry, Luna, Quay and Roosevelt. Coverage in other counties may be available by written agreement if certain criteria are met. Please contact your insurance agent for insurance availability.

#### **Causes of Loss**

You are protected against the following:

- Adverse weather conditions, including hail, frost, freeze, excess precipitation and drought;
- Fire, if due to natural causes;
- Failure of irrigation water supply, if due to an insured cause of loss within the insurance period;
- Insects, but not damage due to insufficient or improper application of pest or disease control measures;
- Plant disease, but not damage due to insufficient or improper application of pest or disease control measures; or
- Wildlife.

#### **Insurance Period**

Insurance coverage begins on the later of:

- Date we accept your application; or
- Date when the barley is planted by the final planting date designated.

Insurance coverage ends with the earliest of:

- Total destruction of the crop;
- Harvest of the unit:
- Final adjustment of loss on the unit;
- Abandonment of the crop; or
- October 31.

# **Important Dates**

Sales Closing	September 30, 2015
Cancellation Date	September 30, 2015
Final Planting Date	Multiple dates
Acreage Report Date	Multiple dates
Premium Billing	July 1, 2016
End of Insurance	October 31, 2016

Please refer to the Actuarial Information Browser at: See actuarial documents at: http://

webapp.rma.usda.gov/apps/

actuarialinformationbrowser2016/CropCriteria.aspx.

#### **Reporting Requirements**

**Acreage Reports** - You must give a report to your crop insurance agent of all your barley acreage in the county by the acreage reporting date.

# **Special Provisions Of Insurance**

In addition to Section 32 of the Basic Provisions, if you elect to obtain a Farm Service Agency Graze-Out Payment for acres of the crop grazed by livestock and not otherwise harvested, you are not eligible for an indemnity.

# **Supplemental Coverage Option**

The Supplemental Coverage Option (SCO) is a new crop insurance option that provides additional coverage for a portion of your underlying crop insurance policy deductible. The amount of SCO coverage depends on the liability, overage level, and approved yield of your underlying policy. SCO may not be available in every county. For further information see the SCO Fact Sheet at: <a href="http://www.rma.usda.gov/pubs/rme/2016sco.pdf">http://www.rma.usda.gov/pubs/rme/2016sco.pdf</a>.

#### **Definitions**

**Yield Protection Plan -** A plan of insurance that only provides protection against a production loss and is available only for crops for which revenue protection is available.

**Revenue Protection Plan** - A plan of insurance that only provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both. If the harvest price exclusion is elected, the insurance coverage provides protection only against loss of revenue due to a production loss, price decline, or a combination of both.

Revenue Protection with Harvest Price Exclusion - Insurance coverage that excludes the use of the harvest price in the determination of the revenue protection guarantee.

# **Coverage Levels and Premium Subsidies**

Barley may be insured at the coverage levels shown in the table below. Crop insurance premiums are subsidized as shown. If you choose the 75 percent coverage level and Enterprise Units, your coverage is 75 percent of your approved actual production history yield, the premium subsidy is 77 percent, and your premium share is 33 percent of the base premium.

Coverag	e Level	CAT	0.50	0.55	0.60	0.65	0.70	0.75
Subsidy Factors		1.000	0.67	0.64	0.64	0.59	0.59	0.55
	Optional unit		0.67	0.64	0.64	0.59	0.59	0.55
	Enterprise Unit		0.80	0.80	0.80	0.80	0.80	0.77
	Enterprise Unit By Patrice		0.80	0.80	0.80	0.80	0.80	0.77

#### **Price Elections**

Prices are calculated according to the Commodity Exchange Price Provisions. New Mexico barley prices are based on the applicable futures market price for corn. Barley prices are factored from the corn futures market using the calculations from the following site: <a href="http://www.rma.usda.gov/pubs/2013/barleypricingmethodology.pdf">http://www.rma.usda.gov/pubs/2013/barleypricingmethodology.pdf</a>. Contact your agent for more information or visit <a href="http://www.rma.usda.gov/tools/">http://www.rma.usda.gov/tools/</a>

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<a href="pricediscovery.html">pricediscovery.html</a>.

# **Replanting Provisions**

A replant payment is allowed only if the crop is damaged by a covered cause of loss so the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the bushel guarantee, or five bushels times your price election. Replant payments are not available with CAT. This provision is available only in counties where a final planting date is provided in the Special Provisions.

# **Late and Prevented Planting**

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. The late planting period begins the day after the final planting date for the insured crop and ends 25 days after the final planting date.

# Loss Example

Under Yield Protection, a loss occurs when the bushels of barley produced for the unit fall below the production guarantee due to damage from a covered cause of loss. Under Revenue Protection, a loss occurs when the value of production-to-count is less than the revenue production guarantee due to a production loss and/or a revenue loss Assume a 40 bushels per acre APH yield, 75-percent coverage level, \$4.40 winter projected price, \$4.00 winter harvest price, and basic unit coverage.

#### **Yield Protection**

APH yield bushels/acre	30
Coverage level	<u>X 0.75</u>
Bushel guarantee	22.50
Projected Price	<u>X\$4.40</u>
Insurance guarantee	\$99.00
Bushels/acre produced Price to determine value Value of production	10 <u>X \$4.40</u> \$44.00
Insurance guarantee	\$99.00
Value of production	<u>- \$44.00</u>
<b>Gross indemnity</b>	\$55.00

#### **Revenue Protection**

APH yield bushels/acre Coverage level Bushel guarantee Projected Price Insurance guarantee	30 <u>X 0.75</u> 22.50 <u>X \$4.40</u> \$99.00
Bushels/acre produced Price to determine value Value of production	10 <u>X \$4.00</u> \$40.00
Insurance guarantee Value of production Gross indemnity	\$99.00 - \$40.00 \$59.00

# 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: <a href="www3.rma.usda.gov/apps/agents/">www3.rma.usda.gov/apps/agents/</a>.

#### **Contact Us**

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**Phone:** (405) 879-2700 **Fax:** (405) 879-2741

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