



United States Department of Agriculture
Risk Management Agency

October 2005

2006 COMMODITY INSURANCE FACT SHEET

Mint Pilot

Washington

Crop Insured

The **mint** crop insured will be all mint types in the county for which a premium rate is provided by the actuarial document in which the insured has a share; that are planted for harvest and **distillation** as mint oil; that have an adequate stand of 1.5 plants per square foot by the date coverage begins; and that have been inspected and accepted by the insurance provider for the first crop year of insurance or certified by the insured as having an adequate stand by the date coverage begins after the first year the crop is insured.

Counties where Available

Washington: Grant and Yakima counties

Important Dates

Basic Coverage Sales Closing	March 15
Basic Coverage Acreage Reporting Date.....	June 30
Winter Coverage Option Sales Closing Date	September 30
Winter Coverage Option Acreage Reporting Date	December 15
Cancellation Date.....	September 30
Cancellation and Termination Date	November 30

Insurance Period

Basic Coverage Begins: Insurance coverage begins on each unit or part of a unit for acreage with an adequate stand on **May 16** in Grant and Yakima counties in Washington State.

Basic Coverage Ends: Insurance coverage ends for each unit or part of a unit at the earliest of: 1) total destruction of the insured crop on the unit; 2) final adjustment of a loss on a unit; 3) final harvest; 4) abandonment of the crop on the unit; or 5) **October 31** in Washington State.

Winter Coverage Options—WA State

Winter coverage begins on existing mint acreage on **November 1** and on new mint acreage on the later of the date the crop is planted or the date the application is approved and accepted by the insurance provider. **Winter coverage ends** on **May 15**, at 11:59 p.m.

Winter Coverage Option: The provisions of the winter coverage option provide protection when any insured mint is damaged and does not meet the requirement of **adequate stand** before the beginning of the basic coverage. The option provides a guarantee equal to 60 percent of the total guarantee. Coverage will attach if you elect this option at the time of application, on/before the **fall** sales closing date for the crop year, pay the additional premium indicated in the actuarial documents, and have not elected coverage under the CAT option. If you elect this option, all of the insurable acreage in the county will be insured by this option.

Guarantee and Price Election Options

Coverage is based on actual production history (APH) with choices of variable percentages of your approved average yield, from 50 percent up to 75 percent, in 5 percent increments. The price election, at which you are compensated in the event of a loss, is a choice of various percentages of the price established for the applicable crop year. Catastrophic (CAT) coverage is available at the 50 percent coverage level and 55 percent of the established price. Contact your crop insurance agent for specific details.

Acreage Report

You must report to your insurance agent the acreage with an adequate stand in which you have a share (your share at the time insurance attaches), reporting the crop by type and practice.

Insurable Acreage

Mint can be interplanted with cover crop, if the cover crop is destroyed prior to its maturity and is not harvested as grain. The mint acreage must meet the rotation requirements (4 crop years) and age limitations (4 years for peppermint and scotch spearmint; 9 years native spearmint).

We will not insure any loss of production that: (1) occurs after harvest; or (2) is due to your failure to distill the crop, unless such failure is due to actual physical damage caused by an insured cause of loss that occurs during the insurance period; or (3) is due to Verticillium Wilt disease.

Unit Structure

The pilot mint policy offers a **basic unit** by type (peppermint, scotch spearmint, native spearmint) and share and an **optional unit** by section. (No optional or type units under CAT.)

Causes of Loss

Adverse weather conditions

Failure of the irrigation water supply, if caused by an insured cause of loss that occurs during the insurance period
Fire

Insects (but not damage due to insufficient or improper application of pest control measures)

Plant disease (except Verticillium Wilt) but not damage due to insufficient or improper application of disease control measures
Wildlife, earthquake, volcanic eruption

Administrative Fees

Catastrophic (CAT) Coverage: \$100 per crop per county.

Additional Coverage: \$30 per crop per county.

Waivers of administrative fees for **all** coverage levels (CAT and additional) are available for limited resource farmers.

Catastrophic Coverage

Catastrophic (CAT) coverage is available at the 50 percent coverage level and 55 percent of maximum price election. See your crop insurance agent for specific details.

Distillation

A process of extracting mint oil from harvested mint plants by heating and condensing.

Loss Example - Mint

Mint Loss Example: Assuming: 75-percent coverage level and a 100-percent price election per pound of \$10.75 and an average yield of 100 pounds per acre APH:

100	Pound per acre (APH)
x 75-	Percent coverage level
75	Pound per acre guarantee
x 100.0	Acres
7,500	Pound unit guarantee
x \$10.75	Price coverage
\$80,625	Guarantee value
3,000	Pounds harvested production
x \$10.75	Price coverage
\$32,250	Harvested value
\$80,625 - \$32,250 = \$48,375	Loss indemnity due policyholder

Where to Purchase

All MPCI, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA website: <http://www3.rma.usda.gov/tools/agents/>

Regional Contact for RMA

USDA/Risk Management Agency

Spokane Regional Office

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