



United States Department of Agriculture
Risk Management Agency

February 2006

2006 COMMODITY INSURANCE FACT SHEET

Processing Bean

Idaho, Oregon, Washington

Crop Insured

The crop insured will be all **processing beans** in the county for which a premium rate is provided by the actuarial documents; you have a share; that are grown under, and in accordance with the requirements of a *processor contract* executed on or before the acreage reporting date and are not excluded from the processor contract at any time during the crop year.

The processing beans shall not be interplanted with another crop or planted into an established grass or legume, unless allowed by the special provisions of Insurance (SPOI) or written agreement. **We will not insure** any acreage of the insured crop that is damaged before the final planting date, to the extent that the majority of the producers in the area would normally not further care for the crop. The crop must be replanted unless the insurance provider agrees that it is not practical to replant. The insurance provider will not insure any acreage that does not meet the rotation requirements, if applicable, contained in the special provisions of insurance.

Counties Available

Idaho: Canyon and Franklin counties;

Oregon: Benton, Lane, Linn, Malheur, Marion, Polk, Umatilla, Washington and Yamhill counties;

Washington: Adams, Benton, Franklin, Grant, Klickitat, Walla Walla and Yakima counties.

Causes of Loss

Adverse weather conditions, including: a) excessive moisture that prevents the harvesting equipment from entering the field or that prevents the timely operation of harvesting equipment; and b) abnormally hot or cold temperatures that cause an unexpected number of acres over a large producing area to be ready for harvest at the same time, affecting the timely harvest

of a large number of such acres or the processing of such production is beyond the capacity of the processor, either of which causes the acreage to be bypassed; fire; insects, but not damage due to insufficient or improper application of pest control measures; plant disease on acreage not planted to processing beans the previous crop year (in certain instances contained in the SPOI or written agreement, acreage planted to processing beans the previous year may be covered; damage due to insufficient or improper application of disease control measures is not covered.); wildlife; earthquake; volcanic eruption; **or**, failure of the irrigation water supply, if caused by an insured cause of loss that occurs during the insurance period.

The insurance policy will not insure any loss of production due to: Bypassed acreage because of the breakdown or non-operation of equipment or facilities, or the availability of a crop insurance payment. The insurance provider may deny any indemnity immediately in such circumstance or, if an indemnity has been paid, require the insured to repay it to them with interest at any time acreage was bypassed due to the availability of a crop insurance payment; or the insured's failure to follow the requirements contained in the processor contract.

Insurance Period

Insurance attaches at the time of planting and ends the earliest of the date the processing beans: **1)** were destroyed; **2)** should have been harvested but were not harvested; **3)** were abandoned; **4)** were harvested; **5)** the date you harvest sufficient production to fulfill the processor contract if the processor contract stipulates a specific amount of production to be delivered; **6)** final adjustment of a loss; or **7) October 5** for all processing beans in the states of Idaho, Oregon and Washington.

Important Dates

Sales Closing March 15
Final Planting Date See County Actuarial
Acreage Report Date... 6/30 or 7/15, See County Actuarial
Cancellation and Termination Date March 15

Price Elections

Price at which you are compensated per pound in the event of a loss. Choices vary by level of guarantee. (Please check with your crop insurance agent for price election changes for the current crop year.)

Guarantee Choices

Choice of variable percentages of your approved average yield, from 50 percent up to 75 percent, in 5 percent increments.

Reporting Requirements

Acreage Report: You must report to your insurance agent all of the acreage in which you have a share (your share at the time insurance attaches), reporting the crop by type and practice. You must provide a copy of all processor contracts to the insurance provider on or before the acreage reporting date.

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.

Late Planting

Late planting provisions are not applicable to counties in Idaho, Oregon, and Washington.

Prevented Planting

Coverage is 40 percent of your production guarantee for timely planted acreage. If you have coverage greater than the catastrophic endorsement level and agree to pay an additional premium, you may increase your prevented planting coverage specified in the actuarial document.

Specific Definitions

Processing Bean: Lima, snap, or other bean types identified in the special provisions that are grown under a processor contract to be canned or frozen and sold for human consumption.

Processor Contract: A written agreement between the producer and a processor, or between the producer and a broker, containing at a minimum: 1) the producer's commitment to plant and grow processing beans, and to deliver the bean production to the processor or broker; 2) the processor's or broker's commitment to purchase all production stated in the processor contract and 3) a base contract price. Multiple contracts with the same processor that specify amounts of production will be considered as a single processor contract unless the contracts are for different types of processing beans.

Where to Purchase

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

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