United States Department of Agriculture
Risk Management Agency

September 2011

2012 COMMODITY INSURANCE FACT SHEET

Stonefruit

Idaho, Oregon, Washington

Crop Insured

The crop insured will be all of each stonefruit crop (fresh apricots, fresh freestone peaches, fresh nectarines and plums [fresh or processing types]) you have a share and elect to insure that is grown in the county and for which premium rates are provided in the actuarial documents. The stonefruit shall be grown on trees that were commercially available when the trees were set out or have subsequently become commercially available; are adapted to the area; are grown on a root stock that is adapted to the area; have produced at least 200 lugs of fresh market produce per acre or 2.2 tons per acre for processing plums in at least one of the four most recent actual production history crop years (unless an inspection is done and approval is granted in writing); and that have reached at least the fifth growing season after set out or grafting.

Counties Available

Idaho: Canyon, Gem, Idaho, Payette and Washington

Oregon: Douglas, Jackson, Marion, Polk, Umatilla, Wasco, Washington and Yamhill

Washington: Benton, Chelan, Douglas, Franklin, Grant, Okanogan, Walla Walla, and Yakima

Not every county offers insurance for all four stonefruit crops. However, insurance may be offered by written agreement. Contact a crop insurance agent for further details.

Important Dates

Sales Closing/Cancellation .... November 20
Production Reporting Date .... January 15
Acreage Report Date .... January 15

The dates shown above will apply to all Idaho, Oregon and Washington counties where stonefruit insurance is available.

Reporting Requirements

Acreage Report: You must report to your insurance agent all the acreage (insurable and non-insurable) of stonefruit in the county in which you have elected to insure and have a share (at the time insurance attaches), reporting the crop by type and practice.

Causes of Loss

Causes of Loss: Adverse weather conditions; fire (unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the orchard); wildlife; earthquake; volcanic eruption; **or** failure of irrigation water supply, if due to an insured cause of loss. In addition, the insurance provider will not insure against damage or loss of production due to: Disease or insect infestation, unless adverse weather prevents the proper application of control measures or causes properly applied control measure to be ineffective or causes disease or insect infestation for which no effective control mechanism is available; split pits regardless of cause; or inability to market the insured crop for any reason other than actual physical damage from an insurable cause listed above (for example, an indemnity will not be paid if you are unable to market due to quarantine, boycott or refusal of any person to accept production).

Insurance Period

Coverage begins November 21, each crop year for Idaho, Oregon and Washington policies, except for the year of application (if your application is received after November 11, but prior to November 21, insurance will begin on the 10th day after your properly completed application is received).
The calendar date for the end of insurance is July 31, for all apricots; and September 30, for all nectarines, peaches and plums. **Note**: For each subsequent crop year the policy remains continuously in force, coverage begins on the day immediately following the end of the insurance period for the prior crop year.

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Administrative Fees

Catastrophic (CAT) Coverage: $300 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.

Production Guarantees

Yields are based on actual production records reported to your insurance agent and/or company. Contact your insurance agent for specific details.

Coverage Levels and Price Election

Coverage levels are a choice of **50 to 75 percent** of your approved average yield (5-percent increments). **Price elections** are the price of compensation paid per lug in the event of a loss. Catastrophic (CAT) coverage is available at the 50-percent coverage level and 55 percent of maximum price election. For current prices, **please contact your insurance agent.**

Definitions

Direct Marketing: Sale of the insured crop directly to consumers without the intervention of an intermediary such as wholesaler, retailer, packer, processor, shipper, or buyer.
Harvest: The physical removal of mature stonefruit from the tree either by hand or machine.
Interplanted: Acreage on which two or more crops are planted in any form of alternating or mixed pattern. **Lug**: A container of fresh stonefruit of specified weight. Lugs of varying sizes will be converted to standard lug equivalents on the basis of the following average net pounds of packed fruit: fresh apricots – 24 pounds per lug; fresh nectarines – 25 pounds per lug; fresh freestone peaches – 25 pounds per lug and fresh plums—28 pounds per lug. Weight for processing apricots, processing cling peaches, processing freestone peaches and processing plums is specified in tons.
Stonefruit: Any of the following crops grown for fresh market or processing: fresh apricots, fresh freestone peaches, fresh nectarines, plums (pluots for fresh market and plums/prunes for either fresh or processing utilization in Pacific Northwest), processing apricots, processing cling peaches and processing freestone peaches. **(Only fresh market crops are currently insurable in Idaho, Oregon and Washington.)**
Type: A category of a stonefruit crop with similar characteristics that are grouped for insurance purposes.

Loss Example

Fresh Freestone Peaches: Assume: 100-percent share; 70-percent coverage level; a 100-percent price election of $4.50 per lug; and an average yield of 700 lugs per acre actual production history (APH).

700	Lugs
x .70	Coverage level
490	Lugs per acre guarantee
x 50.0	Acres
24,500	Lugs per unit guarantee (or $110,250 liability)
-2,500	Lugs of actual harvested production
22,000	Lug per unit loss
x $4.50	Price election
$ 99,000	**Indemnity due policyholder** (less insurance premium due)

Where to Purchase

All multi-peril crop insurance (MPCI), including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site: http://www3.rma.usda.gov/tools/agents/

Regional Contact for RMA

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Spokane Regional Office
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