



United States Department of Agriculture  
Risk Management Agency

November 2009

## 2010 COMMODITY INSURANCE FACT SHEET

# Potatoes

## Alabama, Florida

### Crop Insured

The crop insured will be all the potatoes in the county, in which you have a share, that are planted with certified seed for harvest as certified seed stock or for human consumption. The policy does not cover any acreage where potatoes are:

- Interplanted with another crop;
- Planted into an established grass or legume; or
- Planted without following crop rotation requirements specified in the special provisions.

### Counties Available

#### Alabama

Baldwin, DeKalb, Jackson, Mobile

#### Florida

**North:** Flagler, Putnam, St. Johns, Suwannee

**South:** Charlotte, Collier, De Soto, Hendry, Highlands, Indian River, Lee, Manatee, Miami-Dade, Okeechobee, St. Lucie

### Causes of Loss

Adverse weather conditions  
 Earthquake  
 Failure of irrigation water supply<sup>1</sup>  
 Fire  
 Insects<sup>2</sup>  
 Plant disease<sup>3</sup>  
 Volcanic eruption  
 Wildlife

<sup>1</sup>If caused by an insured peril during the insurance period. <sup>2</sup>But not damage due to insufficient or improper application of pest control measures. <sup>3</sup>But not damage due to insufficient or improper application of disease control measures.

### Insurance Period

Coverage begins when the potatoes are planted (within the planting period dates specified on the actuarial documents). Coverage ends the earlier of: (1) total destruction of the crop; (2) final adjustment of a claim; (3) harvest of the crop; (4) abandonment of the crop; or (5) the calendar date shown in the special provisions.

### Reporting Requirements

**Acreage Report**—An acreage report is due to your insurance agent by the acreage reporting date to include all acreage (insurable and uninsurable) in the county in which you have a share (see your insurance agent for specific dates by county and practice).

**Notice of Loss**—In the event of a loss, you must: (1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period); and (3) leave representative samples intact for each field of the damaged unit.

### Important Dates

	Florida		
	Alabama	North	South
Sales Closing.....	Dec 31	Dec 31	Sept 30
Acreage Reporting.....	Varies	Mar 15	Varies
Premium Billing.....	Oct 1	July 1	July 1
Cancellation/Termination...	Dec 31	Dec 31	Sept 30
(Contact your insurance agent for additional information)			

### Definitions

**Planting Period**—The period of time between the calendar dates designated in the special provisions for the planting of spring-planted, fall-planted, or winter-planted potatoes.

**Cancellation Date**—the calendar date specified in the crop provisions on which coverage for the crop will automatically renew unless cancelled in writing by either you or us or terminated in accordance with the policy terms.

**Price Election**—The price set by FCIC per hundred weight (cwt) that is used in calculating premium and indemnity under the policy. Price elections are posted on the RMA Web site at:

<http://www3.rma.usda.gov/apps/pricesinquiry/>

**Approved Actual Production History (APH)**

**Yield**— The average of the actual production yields, assigned or adjusted yields, or unadjusted transitional yields, calculated and approved by your verifier.

**Production Guarantee**—Hundredweight (cwt.) guaranteed per acre determined by multiplying your approved APH yield by the coverage level percentage you elect.

**Insurance Units**

Your insurable acreage will be grouped into one or more units in order to establish the approved yield, calculate a guarantee, and determine any indemnity.

**Basic Unit**—A basic unit includes all of your potato acreage in the county by share arrangement.

Premiums are reduced by 10 percent for a basic unit.

**Optional Units**—If a basic unit consists of two or more farm serial numbers (FSN) and certain record-keeping criteria are met, you may apply for optional units by FSN. The 10-percent discount for basic units will not apply

**Coverage Levels and Premium Subsidies**

Coverage levels range from 50 to 75 percent of your approved APH yield. For example, an approved yield of 200 hundred weight per acre would result in a guarantee of 130 hundred weight per acre at the 65-percent coverage level. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 65-percent coverage level, your premium share would be 41 percent of the base premium.

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

Catastrophic (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you. There is, however, an administrative fee of \$300 per crop per county, regardless of the acreage.

**Prevented Planting**

Prevented planting coverage will be 25 percent of your production guarantee for timely planted acreage

**Loss Example**

This loss example assumes a one acre planting with 65-percent coverage level election, an approved APH yield of 200 hundredweight (cwt) per acre, and a \$12.00 per cwt price election for russet potatoes grown in Collier County, Florida.

200	Cwt per acre approved APH yield
<u>x .65</u>	Coverage level
130	Cwt per acre guarantee
<u>- 80</u>	Cwt per acre produced
50	Cwt per acre loss
<u>x \$12.00</u>	Price election
<b>\$ 600</b>	<b>Indemnity per acre</b>

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