



United States Department of Agriculture
Risk Management Agency

November 2009

2010 COMMODITY INSURANCE FACT SHEET

Sugarcane

Florida

Crop Insured

The crop insured will be sugarcane, grown for processing for sugar or for seed, in which you have a share. Sugarcane is uninsurable if it was damaged the previous crop year to the extent the sugarcane is unable to produce the yield used to establish the current crop year production guarantee for the unit.

Counties Available

Glades Martin
Hendry Palm Beach

Causes of Loss

Adverse weather conditions
Earthquake
Failure of irrigation water supply¹
Fire
Insects²
Plant disease³
Volcanic eruption
Wildlife

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

Insurance Period

Coverage begins:

- (1) at the later of the time of planting for plant cane or the date the application is accepted;
- (2) on the first day following harvest of the previous crop for stubble cane that was undamaged during the crop year; or
- (3) on the later of April 15 or 30 days following harvest of the previous crop for stubble cane that was damaged during the crop year.

Coverage ends on April 30th.

Reporting Requirements

Acreage Report—You must report to your agent all acres of the crop in which you have a share by the acreage reporting date.

Notice of Loss— In the event of damage or loss, you must:

- 1) protect the crop from further damage by providing sufficient care;
- 2) request an appraisal and give at least 15 days notice before cutting any sugarcane for seed; and
- 3) leave representative samples intact that are at least 10 feet wide and extend the entire length of each field in the damaged unit.

Important Dates

Sales Closing September 30
Acreage Reporting May 31
Premium Billing January 1
Cancellation/Termination September 30

Definitions

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

Plant Cane—The insured crop which grows from seed planted for the current crop year.

Stubble Cane—The insured crop which grows from the stubble of sugar cane that was harvested the previous crop year.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your approved actual production history (APH) yield. For example, at the 75-percent coverage level, an approved yield of 6,000 pounds of raw sugar per acre would result in a production guarantee of 4,500 pounds of raw sugar per acre. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 75-percent coverage level, your premium share would be 45 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.

Loss Example

This example assumes an approved APH yield of 6,000 pounds of raw sugar per acre, a 75-percent coverage level election, and a one-acre unit in Glade County, FL.

6000	Pounds per acre average yield
<u>x .75</u>	Coverage level election
4500	Pounds per acre guarantee
<u>-2000</u>	Pounds per acre actual production
2500	Pounds per acre loss
<u>x \$.118</u>	Price election
\$ 295	Indemnity per acre

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