



United States Department of Agriculture  
Risk Management Agency

June 2005

## 2006 COMMODITY INSURANCE FACT SHEET

# Peppers Florida

### Crop Insured

The crop insured will be all the bell peppers planted for harvest as fresh market peppers, grown on insurable acreage. The insured must have grown or participated in the management of the pepper farming operation. The soil must be fumigated if tomatoes, peppers, eggplants, or tobacco has been grown previously on the acreage. Peppers cannot be grown on soil that has been planted to peppers the preceding planting period, unless the pepper plants of the preceding planting period were destroyed less than 30 days after planting or 60 days after direct seeding as defined in the policy.

### Counties Available

Broward	Charlotte	Collier
Glades	Hardee	Hendry
Hillsborough	Lee	Manatee
Martin	Palm Beach	St. Lucie
Sarasota		

### Causes of Loss

Excess rain  
 Fire  
 Freeze  
 Failure of irrigation water supply<sup>1</sup>  
 Hail  
 Tornado  
 Tropical depression

<sup>1</sup>If caused by an insured cause of loss that occurs during the insurance period.

### Insurance Period

Coverage usually begins when the pepper is planted and ends at the earliest of : (1) total destruction of the peppers on the unit; (2) the date harvest should have started on the unit on any acreage that will not be harvested; (3) abandonment of the crop; (4) final

harvest; (5) final adjustment of a loss on the unit; or the calendar date for the end of the insurance period as follows: (a) 165 days after the date of direct-seeding or replanting with seed; and (b) 150 days after the date of transplanting or replanting with transplants.

### 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.

**Notice of Loss**—See your insurance agent for detailed requirements.

### Important Dates

Sales Closing.....	July 31
Billing.....	May 1
Cancellation/Termination .....	July 31

Contact your insurance agent for planting and acreage reporting dates specific to your county.

### Definitions

**Price Election**— The value unit of measure for the purpose of determining premiums and indemnity under the policy (see your insurance agent for additional pricing information).

**Box**—One and one-ninth (1-1/9) bushels of the insured crop.

**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.

**Guarantee**—A dollar amount of insurance determined by using crop valuations for the stage.

**Harvest**—The picking of the peppers on the unit.

## Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of the reference maximum dollar amount per acre shown on the FCI-35 and are subsidized as shown in the table below. As an example, if the reference maximum dollar amount is \$6,030, the 65-percent coverage level results in an \$3,920 guarantee per acre.

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 average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you except for an administrative fee of \$100 per county, regardless of the acreage.

## Replant Provisions

A replant payment may be allowed if, due to an insured cause of loss, more than 50 percent of the remaining plant stand will not produce peppers and it is still practical to replant. See your Insurance Agent for more information.

## Loss Example

\$ 3.40 Allowable cost per 1-1/9 bushel box

4,263 Amount of dollar coverage elected per acre

-2,725 Sold production per acre (500 boxes @  
\$8.85-\$3.40 = \$15.45 each)

**\$1,538 Indemnity per acre**

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