



United States Department of Agriculture  
Risk Management Agency

March 2005

## 2005 COMMODITY INSURANCE FACT SHEET

# Fresh Market Tomatoes

## Maryland

### Crop Insured

Tomatoes transplanted and grown for harvest as **fresh market tomatoes** and subject to a packing contract executed by the acreage reporting date may be insurable. **Cherry, roma, or plum** type tomatoes are **not** insurable.

The policy **does not cover** any tomato acreage:

- Grown by anyone who has not grown fresh market tomatoes for commercial sale, or participated in the management of a fresh market tomato farming operation, in one of the three previous years
- Where tomatoes, peppers, eggplant, or tobacco have been grown within the previous two years unless the soil was fumigated or nematicide was applied before planting the tomatoes
- Grown for direct marketing
- Interplanted with another crop
- Planted into an established grass or legume
- Directly seeded in the field

### Counties Available

Fresh market tomatoes are insurable in Caroline, Dorchester, Somerset, and Worcester counties. Fresh market tomatoes may be insurable in other counties if specific criteria are met. Contact a crop insurance agent for details.

### Causes of Loss

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

<sup>1</sup>Including drought, frost, freeze, hail, and excess precipitation. <sup>2</sup>If caused by an insured peril. <sup>3</sup>But not damage due to insufficient or improper application of pest or disease control measures.

Note: This policy does not cover damage that occurs or becomes evident after the tomatoes are harvested.

### Insurance Period

Coverage begins when the tomatoes are planted and ends at the earliest of: (1) total destruction of the tomatoes, (2) discontinuance of harvest, (3) the date harvest should have started on acreage not harvested, (4) 120 days after transplanting, (5) completion of harvest, (6) final adjustment of a loss, or (7) October 15.

### Reporting Requirements

**Acreage Report**—You must report to your agent all tomato acreage in the county, both insured and uninsured, to include the row width.

### Important Dates

Sales Closing .....	March 15, 2005
Final Planting Date.....	May 10, 2005
Acreage Report Date.....	June 30, 2005

### Definitions

**Production Guarantee**— Number of 25-pound cartons guaranteed per acre determine by multiplying your average yield per acre by the coverage level percentage you elect.

**Price Election**— The price used to calculate your premium or indemnity. Prices are posted on the RMA website at:  
<http://www3.rma.usda.gov/apps/pricesinquiry/>

### Duties in the Event of Damage or Loss

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); (3) Leave representative samples intact for each field of the damage unit.

### Price Election

**\$4.60 per ctn**

## Coverage Levels and Premium Subsidies

Your guarantee depends on the coverage level you choose. Coverage levels range from 50 to 75 percent of your average yield. For example, an average yield of 1200 cartons per acre results in a guarantee of 600 cartons per acre at the 50-percent level. Crop insurance premiums are subsidized as shown in the following table. For example, if you selected 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 at 55 percent of the price election and costs an administrative fee of \$100 per crop per county, regardless of the acreage.

## Stage Guarantees

The production guarantee increases by stages at intervals to the full production guarantee of the fourth stage:

**Stage 1:** Interval—from planting until qualifying for stage 2; 50 percent of guarantee

**Stage 2:** Interval—from earlier of stakes driven, one tie/pruning, or 30 days after planting, until stage 3; 75 percent of guarantee

**Stage 3:** Interval—from earlier of the end of stage 2 or 60 days after planting, until stage 4; 90 percent of guarantee

**Stage 4:** Interval—from the earlier of 75 days after planting, or the beginning of harvest; 100 percent of guarantee

## Production to Count

Production on which you are not paid a claim for loss is called production to count. This includes appraised production, marketed production (regardless of grade), and any harvested but unmarketed production that grades 85 percent or better U.S. No. 1 with a classification size of 6 x 7 (2 8/32 inch minimum diameter) or larger.

## Replanting Payment

A replanting payment may be allowed if the crop is damaged by an insurable cause of loss and the acreage to be replanted has sustained a loss in excess of 50 percent of the plant stand. The maximum amount of the replanting payment per acre will be 70 cartons multiplied by your price election.

## Loss Example

This example assumes average yield of 1200 cartons per acre, 50-percent coverage level, irrigated mulch staked, and basic units.

1200	Cartons average yield per acre (APH)
x .50	Coverage level
600	Cartons guaranteed per acre
- 200	Cartons actually produced per acre (production to count)
400	Cartons loss per acre
x \$4.60	Price election
\$1840	Gross indemnity per acre
- \$60	Estimated premium
<b>\$1780</b>	<b>Net indemnity per acre</b>

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