



United States Department of Agriculture
Risk Management Agency

April 2005

2005 COMMODITY INSURANCE FACT SHEET

Dry Beans

New York

Crop Insured

The crop insured will be all beans in the county planted for harvest as dry beans, or contract seed beans if the seed bean processor contract is executed by July 15. The policy does not cover beans inter-planted with another crop or planted into an established grass or legume. Unless it is agreed that replanting is impractical, any acreage of the insured crop damaged before the final planting date of June 30 must be replanted if the damage is severe enough that the majority of growers in the area would not normally further care for the crop.

Counties Available

Dry beans are insurable in Cayuga, Genesee, Jefferson, Livingston, Monroe, Ontario, Orleans, Schuyler, Seneca, Tompkins, Wayne, Wyoming, and Yates counties. Dry beans may be insured in other counties by written agreement if specific criteria are met.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply
Fire
Insects²
Plant disease²
Wildlife

¹Natural perils such as hail, frost, freeze, wind, drought, and excess precipitation. ²But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Coverage usually begins when the beans are planted and ends at the earliest of : (1) total destruction of the beans, (2) harvest of the beans, (3) final adjustment of a loss, (4) adjustment of the crop, (5) October 31 following planting.

Reporting Requirements

Acreage Report— An acreage report is due to your agent no later than July 15 to include all acreage of dry beans in the county in which you have a share and the date(s) the crop was planted.

Notice of Claim

- If crop damage occurs, you must give notice within 72 hours of initial discovery of damage.
- Leave a representative sample of unharvested crop at least 10 feet wide extending the entire length of each field in the unit.
- All claims must be submitted no later than 60 days after the end of the insurance period.

Production Report—A production report for the previous crop year is due to your agent before April 30 of the current insurance year. A yield will be assigned if this information is not timely provided.

Important Dates

| | |
|-----------------------------|----------------|
| Sales Closing | March 15, 2005 |
| Initial Planting Date | May 1, 2005 |
| Final Planting Date | June 30, 2005 |
| Acreage Report Due..... | July 15, 2005 |

Replant Provisions

A replanting payment is allowed if the crop is damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the guarantee and it is practical to replant. The maximum replanting payment per acre will be the lesser of (1) 10 percent of the production guarantee or (2) the price election multiplied by 120 pounds.

NOTE: Replant payments are not available under catastrophic (CAT) coverage.

Definitions

Production Guarantee— Pounds guaranteed per acre determined by multiplying the average yield per acre (based on your records) times the coverage level percentage you select.

Price Elections— Price per pound used to calculate your premium indemnity:

| | |
|--------------------------------|------|
| Black Turtle Soup..... | 16 ¢ |
| Cranberry | 20 ¢ |
| Dark Red Kidney..... | 21 ¢ |
| Light Red Kidney..... | 22 ¢ |
| Pea (navy, medium white) | 15 ¢ |
| Pinto..... | 16 ¢ |
| White Kidney..... | 22 ¢ |

Price elections are posted on the RMA website at:

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

Late and Prevented Planting

These provisions provide a reduced amount of protection on acreage that is planted late or that cannot be planted, due to insurable causes, by the final planting date or within the late planting period.

Coverage Levels and Premium Subsidies

Coverage level options range from 50 to 75 percent of your average yield and are subsidized as shown in the table below. As an example, an average yield of 1200 lb/ac results in a guarantee of 900 pounds per acre at the 75-percent coverage level.

| 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, regardless of the acreage.

Loss Example

This example is based on light red kidney beans, APH average yield of 1200 pounds per acre, 65-percent coverage level, and one basic unit.

| | |
|--------------|-------------------------------------|
| 1200 | Pounds per acre average yield (APH) |
| x .65 | Coverage level percentage |
| 780 | Pounds per acre guarantee |
| - 180 | Pounds per acre production |
| 600 | Pounds per acre loss |
| x .22 | Price election |
| \$132 | Indemnity per acre |
| - \$10 | Estimated producer premium |
| \$122 | Net indemnity per acre |

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