



United States Department of Agriculture
Risk Management Agency

April 2005

2005 COMMODITY INSURANCE FACT SHEET

Grapes

New York

Crop Insured

Grape varieties grown for wine or juice are insurable if the vines have (1) reached the fifth growing season (fourth for Concord, Elvira, and Niagara varieties) after being set out and (2) produced an average of 2 tons per acre in at least one of the three most recent crop years. Varieties and price elections are listed on the back of this sheet.

Vinifera grapes may be insurable only by individual written agreement. You must provide a minimum of five years of production records on vinifera acreage that has produced an average yield of at least 2 tons per acre. A vineyard inspection to evaluate risk and determine insurability is required for all new policyholders.

Counties Available

Grapes are insurable in Cattaraugus, Chautauqua, Erie, Niagara, Ontario, Schuyler, Seneca, Steuben, Ulster, Wayne, and Yates counties. Grapes in other counties may be insurable by individual written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
Disease²
Fire
Insects²
Wildlife

¹Such as hail, frost, freeze, wind, drought, excess moisture. ²Damage due to insufficient or improper application of control measures is not covered.

Note: This policy does not cover the inability to market the grapes for any reason other than actual physical damage from an insurable cause of loss.

Insurance Period

Coverage normally begins on November 21 and ends at the earliest of: (1) total destruction of the grapes, (2) harvest of the crop, (3) final adjustment of a loss, (4) abandonment of the vineyard, (5) the following November 20.

Reporting Requirements

Acreage Report— An acreage report is due to your agent by the date shown below under Important Dates to include all acreage (insurable and uninsurable) by varietal group in which you have a share.

Notice of Claim

- If crop damage occurs, you must give notice within 72 hours of initial discovery of damage.
- If crop is damaged during growing season and you previously gave notice, you also must provide notice at least 15 days before beginning harvest if you intend to claim an indemnity.
- If crop will not be harvested, you must give notice within 3 days of the date harvest should have started.

Production Report—Required by date shown above and must include a production report for the previous year, number and ages of bearing vines, any changes that may adversely impact yield potential (vine damage or removal, change in cultural practices), and other information as required by the policy.

Important Dates

Sales Closing November 20, 2004
Production Report Due January 4, 2005
Acreage Report Due January 31, 2005
Premium Billing September 15, 2005

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 6 tons per acre results in a guarantee of 3 tons/acre at the 50-percent coverage level

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 costs to you except for an administrative fee of \$100, regardless of the acreage.

Price Elections

The prices shown below will be used to calculate premium and indemnity:

Group	Insurable Varieties	Price/ Ton
A1	Aurora, Elvira, Ventura, & all natives	\$240
A2	Catawba, Dutchess	\$260
A3	Niagara	\$270
A4	Concord	\$240
B1	Delaware, Golden Muscat, Ives	\$295
B2	Cascade, Castel, DeChaunac, Isabella, Rosette, and all other hybrids	\$330
B3	Cayuga White, Rougeon, Seyval Blanc	\$380
B4	Baco Noir, Vidal Blanc, Vignoles, Villard Blanc	\$410
B5	Leon Millot, Marechal Foch, Verdellet Blanc, Vincent	\$500
B6	Chancellor, Chelois, Colobel	\$570
C	Chambourcin, Traminette	\$780
Group	Vinifera Varieties	Price/ Ton
D1	Chardonnay, Lemberger, & other viniferas not specified below	\$1,110
D2	Riesling, Pinot Blanc	\$1,210
D3	Gewurztraminer, Pinot Gris, Pinot Noir	\$1,360
D4	Cabernet Sauvignon, Cabernet Franc, Gamay Beaujolais	\$1,480
D5	Merlot, Sangiovese	\$1,570

Price elections are posted on the RMA website at: <http://www3.rma.usda.gov/apps/pricesinquiry/>

Loss Example

This example assumes 65-percent coverage level, Group B2 variety, average yield of 6 tons per acre, and basic units.

6	Tons
x .65	Coverage level percentage
3.9	Tons per acre guarantee
- 1.0	Tons production per acre
2.9	Tons loss per acre
x \$330	Price election (Group B2)
\$957	Indemnity
- 30	Estimated producer premium
\$927	Net indemnity per acre

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