



United States Department of Agriculture
Risk Management Agency

January 2013

2013 COMMODITY INSURANCE FACT SHEET

Grapes

California

Crop Insured

Vineyards that are in at least their fourth growing season after set out or third season after grafting can be insured. All varieties of grapes can be insured. Many varieties of grapes are listed for each county. You must insure all your acreage of a particular variety in a county at the same coverage level. However, one variety can be insured and not another. For example, you could insure all your Chardonnay and none of your Merlot vineyards.

Counties Available

Grapes are insurable in Alameda, Amador, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Glenn, Kings, Kern, Lake, Madera, Marin, Mendocino, Merced, Monterey, Napa, Nevada, Riverside, Sacramento, San Benito, San Joaquin, San Luis Obispo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, Stanislaus, Tulare, and Yolo counties. Grapes in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

- Adverse weather conditions¹
- Failure of irrigation water supply²
- Fire³
- Insects⁴
- Plant disease⁴
- Volcanic eruption
- Wildlife⁵

¹Natural perils such as hail, frost, freeze, wind, drought, and excess moisture.

²If caused by an insured peril during the insurance period.

³Unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed.

⁴But not damage due to insufficient or improper application of control measures.

⁵Unless wildlife control measures have not been taken.

Important Dates

- Sales ClosingJanuary 31
- Acreage Report DueApril 30

Insurance Period

To insure the crop you plan to harvest this year, you must apply for coverage with a crop insurance agent before January 31. Insurance coverage begins in February for vineyards that haven't been insured before and ends the earlier of the date harvest ends or November 10.

Coverage Levels and Premium Subsidies

The guarantee is production, measured in tons of grapes. Individual insurance amounts are based on your actual production history (APH). Your approved average yields are calculated from 4 to 10 years of production records you give to your insurance agent. You can select a coverage level from 50 to 75 percent of your approved average yield and 55 to 100 percent of a price announced by USDA. Catastrophic Risk Protection (CAT) coverage is also available and is based on 50 percent of your approved yield and 55 percent of the price.

Price Election

The price used to calculate your premium and indemnity. Price elections vary by variety and county. Please talk to a crop insurance agent for current information.

Cost of Crop Insurance

CAT coverage has an application fee of \$300 with 100 percent of the premiums being subsidized. Higher coverage levels are subsidized at lower rates though USDA pays at least 50 percent of the premium. For more detailed information about coverage and premium amounts, please contact a crop insurance agent or your local county Farm Service Agency office for an agent listing.

Loss Example

Assume 65-percent coverage, 100-percent price election of \$425 per ton, an average yield of yield of 6 tons per acre, Chardonnay variety in San Joaquin county, and 100-percent share.

6	Ton average per acre
x .65	Coverage level percentage
3.9	Tons per acre guarantee
- 2.0	Tons per acre actually produced
1.9	Tons per acre loss
x \$425	Price election
\$808	Gross indemnity per acre

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA web site at: <http://www3.rma.usda.gov/apps/agents/>

Regional Contact

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