



United States Department of Agriculture  
Risk Management Agency

January 2012

## 2012 COMMODITY INSURANCE FACT SHEET

# Popcorn

## South Dakota

### Crop Insured

The crop insured will be **popcorn** planted for harvest as popcorn, grown on insurable acreage, and for which premium rates are shown on the actuarial table, and grown under a processor contract.

### Counties Available

Popcorn insurance is available in five counties in South Dakota: Hughes, Lyman, Stanley, Sully and Union. In counties where premium rates are not published, popcorn may be insurable by written agreement.

### Causes of Loss

- Adverse weather conditions<sup>1</sup>
- Failure of irrigation water supply<sup>2</sup>
- Fire<sup>3</sup>
- Insects<sup>4</sup>
- Plant disease<sup>4</sup>
- Wildlife

<sup>1</sup>Natural perils such as hail, frost, freeze, wind, drought, and excess moisture, but not frost or freeze damage after the designated frost/freeze date.

<sup>2</sup>If caused by an insured peril during the insurance period.

<sup>3</sup>If due to natural causes.

<sup>4</sup>But not damage due to insufficient or improper application of control measures.

### Insurance Period

Coverage begins when the popcorn crop is planted, and ends at the earliest of:

- (1) total destruction of the unit,
- (2) should have been harvested but was not harvested,
- (3) harvest of the unit,
- (4) abandonment of the unit,
- (5) final adjustment of a unit, or
- (6) December 10 which is the end of insurance period.

### Reporting Requirements

**Acreage Report-** You must report to your insurance company all insurable and uninsurable acreage of the insured crop in the county in which you have a share.

**Notice of Claim-** You must give notice to your agent within 72 hours of your initial discovery of damage and **obtain consent** before destroying any of the crop that is not harvested or before putting the crop or acreage to another use, but not later than 15 days after the end of insurance period.

### Important Dates

Sales Closing/Cancellation	March 15
Earliest Planting	April 5
Final Planting	May 20
Acreage Reporting	July 15
Premium Billing	August 15
Frost/freeze coverage ends	September 30

### Definitions

**Production Guarantee** - Number of pounds guaranteed determined by multiplying your average yield (based on your records) times the coverage level percentage you elect.

**Harvest** - Removing the grain or ear from the stalk either by hand or by machine.

**Price Election** - The price election will equal the projected price for grain type corn in the county multiplied by a conversion factor, and will be published concurrently with the projected price for gain type corn in the county. The factor will be available in the Price Discovery Reporting application located at <http://www.rma.usda.gov>.

### Coverage Levels

You have the choice of 50, 55, 60, 65, 70, 75, 80, and 85 of your average yield.

## Insurance Units

**Basic Unit:** If the processor contract specifies the number of acres to be planted, a basic unit consists of all your insurable popcorn acreage in the county by share arrangement. If the processor contract specifies the amount of production to be delivered, a basic unit consists of all acreage planted to popcorn in the county that will be used to fulfill contracts with each processor. Premiums are reduced by 10 percent for a basic unit.

**Optional Unit:** Optional units by section, section equivalent, farm serial number, and by practice are not available. For processor contracts that only stipulate the amount of acreage optional units may apply if conditions are met.

## Replant Provisions

(Not available under catastrophic coverage.)

A replanting payment is allowed if your popcorn crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of the final stage production guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the production guarantee or 150 pounds, times your price election. No **replanting payment** will be made on acreage initially planted prior to the **earliest planting date**.

## Loss

A loss occurs when crop production falls below the guaranteed pound amount as a result of damage from a covered cause of loss.

## Insurance Plans Available

**YP** — Yield Protection

**RP** — Revenue Protection

**RP/HPE** — Revenue Protection with Harvest Price Exclusion

## Where to Purchase

All multi-peril crop insurance, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at: <http://www3.rma.usda.gov/tools/agents/>

## Regional Contact for RMA

**USDA/Risk Management Agency**

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