

## Regional Office — Oklahoma City, Oklahoma

July 2016

# Peaches

## Oklahoma and Texas

### Crop Insured

All of your peaches (including nectarines) in a county are insurable if:

- The actuarial documents proved premium rates;
- They are grown for the production of fresh or processing peaches;
- They are grown in an orchard that, if inspected, is acceptable to the insurance company;
- They are grown on trees that have reached at least the fourth growing season after set out; and
- You have a share in the peaches.

Peaches are also insurable if they are grown on three varieties that:

- Were commercially available at tree set out;
- Are a variety with a chilling hour requirement appropriate for the area; and
- Are grown on a rootstock adapted to the area.

If the trees have not reached the fourth growing season after set out. However, we may agree in writing to insure acreage that has not reached this age if it has produced at least 100 bushels of peaches per acre.

### Counties Available

See actuarial documents at <http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/> for insurable counties. The crop may be insurable in other counties by written agreement if specific criteria are met. Talk to your crop insurance agent for more details.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Earthquake;
- Failure of irrigation water supply, if caused by an insured peril during the insurance year;
- Fire, unless weeds and other forms of undergrowth have not been controlled or pruning debris has not been removed from the orchard;
- Insects or plant disease, but not damage due to insufficient or improper application of control measures;

- Insufficient chilling hours;
- Volcanic eruption; or
- Wildlife, unless control measures have not been taken.

### Insurance Period

Coverage begins on November 21 of the first year of application (talk to your crop insurance agent for limitations on the starting date). For each subsequent renewal year, coverage begins on October 1 following the end of insurance of September 30.

### Important Dates

Sales Closing/Cancellation.....November 20, 2016  
 Acreage Report Date.....January 15, 2017  
 Premium Billing.....August 15, 2017  
 Termination .....November 20, 2017  
 Please refer to the Actuarial Information Browser at <http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/>.

### Reporting Requirements

**Acreage Reports** - You must report all acres of the crop, in which you have a share in the county, to your crop insurance agent by the acreage reporting date.

**Production Report** - A production report, by type, is required by the production reporting date. You must also report:

- The number of bearing trees on insurable and uninsurable acreage;
- The age and planting pattern of the trees;
- Any damage to or removal of trees; and
- Any change in practices or other circumstances that may reduce yield potential.

### Duties in the Event of Damage or Loss

You must perform the following duties in the event of damage or loss:

- Protect the crop from further damage by providing sufficient care;

- Notify your crop insurance agent within 72 hours of your initial discovery damage; and
- Give 15 days notice before any production from the damaged unit is sold by direct-marketed production was weighed and graded through a packing shed.

## Definitions

**Bearing Tree** - A tree in at least the fourth growing season after set out.

**Bushel** - Fifty pounds of ungraded peaches.

**Direct Marketing** - The sale of the insured crop directly to consumers without the intervention of an intermediary such as a wholesaler, retailer, packer, processor, shipper, or broker.

**Fresh Peach Production** - Peach production from insurable acreage that:

- Is sold or could be sold, for human consumption, without undergoing change in the basic form, such as peeling, juicing, or crushing;
- Grades at least U.S. Extra No. 1 or better and consists of a 2-1/4 inch minimum diameter; unless otherwise specified in the Special Provisions;
- Is from acreage that is designated as fresh peaches on the acreage report;
- Follows recommended cultural practices in use for fresh peach acreage in the area in the manner recognized by agricultural experts;
- You certify that at least 50 percent of the production was sold as fresh peaches in 1 or more of the 4 most recent crop years; and
- Is sold or could have been sold for the price that is not less than the fresh peach price election.

**Loss in quality** - When the crop is damaged to the extent that the producer does not receive the average price of U.S. Extra No. 1 peach.

**Post Production Cost** - The costs, as specified in the Special Provisions, associated with activities that occur during harvesting, packing, transportation, and marketing, as determined by FCIC using regional peach price data of peach production budgets from regional respective universities extension, other USDA agencies, and other third party resources.

**Price Election** - The value per bushel for the purpose of determining premiums and indemnity under the policy.

Price elections are posted on the RMA website at

<http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/>.

**Processing Peach Production** - Peaches from insurable acreage that are:

- Sold or could be sold for peeling, juicing, or crushing; or
- From acreage designed as processing peaches on the acreage report.

bushels per acre results in a guarantee of 175 bushels per acre at the 70-percent coverage level. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 70-percent coverage level, your premium share would be 41 percent of the premium. Catastrophic Risk Protection (CAT) coverage is fixed at 50 percent of your approved yield and 55 percent of the price election. CAT is 100-percent subsidized with no premium cost to you. There is an administrative fee of \$300 per crop, per county regardless of the acreage.

Coverage Level	CAT	0.50	0.55	0.60	0.65	0.70	0.75
Basic Unit	1.00	0.67	0.64	0.64	0.59	0.59	0.55
Optional unit		0.67	0.64	0.64	0.59	0.59	0.55

## Late and Prevented Planting

The late and prevented planting provisions of the Basic Provisions are not applicable.

## Loss Example

Assume 65-percent coverage level, 100-percent price election of 18.50 per bushel for fresh peach production, 100-percent share, 300 bushels per acre approved APH yield, and 50 bushels production-to-count due to an insurable cause of loss on a one-acre unit.

APH yield bushels/acre	300
Coverage level	<u>X 0.65</u>
Production Bushel guarantee	195
Production-to-count, bushels	<u>-50</u>
Loss, bushels	145
Price election (fresh)	X18.50
<b>Indemnity per acre</b>	<b>\$2,683</b>

## 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 website at <http://www.rma.usda.gov/tools/agent.html>.

## Contact Us

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**Phone:** (405) 879-2700

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## Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent of your approved yield. For example, an approved yield of 250

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