Peach Crop Insurance 2010

Important Dates

November 20
Deadline to apply for insurance or make changes to existing policies

January 31
Production Report Due
Acreage Report Due

September 15
Premium Billing

FAQ

Q: What do I do if I have a loss?
A: Report damage to your agent within 72 hours of discovering it.

Q: How much will it cost?
A: The cost of a policy depends on many factors, such as coverage level, price election, your APH, etc. However, premiums are subsidized by the government, so you only pay part of it.

Q: Can I insure different orchards separately?
A: If you keep separate records and purchase Buy-up, you can split your acreage into optional units based on type (fresh or processing) and farm serial number.

Remember, to be eligible for the new federal crop disaster program SURE, each crop on the farm must be insured or have NAP coverage from FSA (some exceptions apply). Higher coverage levels translate to higher SURE guarantees!

For more information or a list of crop insurance agents in New Jersey, call the Garden State Crop Insurance Education Team toll-free at 1-800-308-2449 or visit us on the web at http://salem.rutgers.edu/cropinsurance.
Who Is Eligible?

Peaches (including nectarines) are insurable in Atlantic, Burlington, Camden, Cumberland, Gloucester, Hunterdon, Middlesex, and Salem Counties.

The peach variety must have a chilling hour requirement appropriate to the area and be from a rootstock adapted to the area. Trees must have reached fourth growing season after being set out. An orchard inspection may be required.

Peaches grown organically are insurable.

What Disasters Are Covered?

- Hail
- Frost
- Wind
- Freeze
- Excess Moisture
- Drought
- Fire
- Insects
- Plant Disease
- Wildlife
- Insufficient Chilling Hours
- Failure of Irrigation Water Supply (if due to insured cause of loss, such as drought)

Exceptions apply; in most cases preventative measures must be in place.

Policy only covers fruit losses, not damage to trees.

How It Works

Peach crop insurance works by insuring your peach yield. Your past yield records are averaged together to calculate an Actual Production History (APH) in bushels per acre.

You then choose a percentage of your APH to insure, such as 75% of 200 bu/acre. This provides your yield guarantee, in this case 150 bu./acre. If your actual yield is less than your guarantee (due to an insured cause of loss), then you could receive a loss payment.

Sometimes your orchard suffers damage without affecting yield, for example if a hail storm hits. In this case, a crop adjuster determines the extent of damage to the crop and adjusts your marketable yield.

Decisions, Decisions...

Catastrophic (CAT) coverage
Insures 50% yield at 55% of RMA’s price for peaches, and it costs $300 regardless of acreage.

Buy-up
Choose between 50—75% coverage in 5% increments, and up to 100% of RMA price. Premium is calculated per acre.

Information Needed to Apply

- FSA 578 form: Acreage Report
- FSA 1026A form
- At least 5 years of acceptable records
  - Printouts of receipts from packing shed, processor, auction, etc.
  - Can request pre-harvest appraisal
- Must be by type

Options

If trees younger than fourth year have produced at least 100 bu/acre, they may be insurable by “written agreement”.

Peaches grown for fresh use must be insured separately from peaches grown for processing.