

## IMPORTANT DATES:

Sales Closing Date and Policy Change Deadline:  
Nov. 20, 2016

Acreage Reporting:  
Jan 15, 2017

Premium Billing Date:  
Aug 15, 2017

Insurance Begins:  
Nov 20, 2016

Insurance ends at Harvest or:  
Nov 5, 2017

Production Reporting Date:  
Jan 15, 2017

## INSURABLE CAUSES OF LOSS:

- Adverse weather conditions
- Failure of Irrigation or water supply
- Fire
- Insects
- Plant Disease
- Wildlife

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# Crop Insurance Options for Apple Growers

## What Apples are Insurable in NJ?

- Any variety of apples adapted to the area that are located on insurable acreage that has produced at least 150 bushels per acre in one of the past four years
- Apples are insurable in Atlantic, Burlington, Camden, Cumberland, Gloucester, Hunterdon, Mercer, Middlesex, Monmouth, Salem, and Warren counties



## Reporting Requirements

In order to be eligible for crop insurance for your apples you must follow some reporting requirements. You must submit an **acreage report** to your crop insurance agent, this details the acreage that you devote to apple production and the types of apples being grown on each acre. Additionally, you must give at least 15 days notice before any production is sold by direct mar-

keting so that an appraisal can be made. If you plan to file a claim for crop damage, you must give notice within 72 hours of the initial discovery of the damage. Furthermore, if you already gave notice of crop damage and plan to harvest your crop, you must provide notice at least 15 days prior to the beginning of harvest if you intend to claim and indemnity. If you are not planning on

harvesting your damaged crop you must give notice 3 days prior to the date harvest should have started. **Production reports** are required by January 15, 2017, these reports need to include last years production numbers, number and ages of bearing trees or insurable and uninsurable acreage, any changes that may adversely impact yield potential, and other information.

**NOTE:** The record keeping requirements necessary to qualify for fresh apple production by unit have changed since the 2013 crop year. For more information on this change please contact your crop insurance agent



# Crop Insurance Options for Apple Growers

## INSURABLE UNITS:

**Basic Unit:** A basic unit includes all of your insurable apple acreage in the county by share arrangement. Premiums are reduced by 10% for a basic unit

**Optional Unit:** A basic unit may be divided into optional units if each optional unit is (1) located on non-contiguous land, or (2) by varietal group. The 10% premium discount will not apply.

For additional information about crop insurance visit our website <http://saalem.rutgers.edu/cropinsurance> or call our toll free hotline 1-800-308-2449

## Coverage Levels and Premium Subsidies

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

Coverage levels range from 50 to 75% of your average yield and are partially subsidized by the government. For example, if you have a 50% coverage level, an average APH yield of 500 bushels per

acre would result in a guarantee of 250 bushels per acre at the 50% coverage level. You may elect different coverage levels for fresh and processing apples. Catastrophic (CAT) coverage is fixed at

50% of average yield and 55% of the price election. CAT is 100% subsidized with no premium cost to you except for an administrative fee of \$300 per crop regardless of the acreage.

## How are Yield Guarantees and Indemnity Payments Calculated?

Actual Production History (APH) is the only crop insurance option available to apple growers. Under the APH policy, yield guarantee is determined based on the producers actual production history using the producers production records for 4-10 consecutive years. From this, yield guarantee is determined by: APH X level of coverage X insured acreage X insured's share.

Indemnity payment at different coverage levels is calculated as follows:

400 bushels per acre APH yield	400 bushels per acre APH yield
$\times .75$ coverage level	$\times .55$ coverage level
300 bushel guarantee	220 bushel guarantee
- 200 bushels per acre actually produced	- 200 bushels per acre actually produced
100 bushels per acre loss	20 bushels per acre loss
$\times \$17.30$ price election (fresh-non irrigated)	$\times \$17.30$ price election (fresh-non irrigated)
\$1,730 gross indemnity per acre*	\$346 gross indemnity per acre*
- \$553 premium per acre (varies by county)	- \$228 premium per acre (varies by county)
<b>\$1,177 net indemnity *</b>	<b>\$118 net indemnity *</b>

\*\*\*Premium per acre is calculated for Salem county in these examples



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