



Crop Insurance for Canola

How to Insure your Canola In NJ

Currently there is no canola insurance policy for New Jersey. If you are interested however, in protecting your investment there are some options. If you have 3 years of prior yield records for canola or a similar crop, you can request a “written agreement” from your crop insurance agent. This means that your agent will help you request protection from RMA (Risk Management Agency) to transfer a canola crop insurance policy from an area where canola is grown and adapt it to your conditions, provided you meet certain requirements. If it is approved you have a crop insurance policy for your canola!

Canola Growing is a Risky Business

If crop insurance is not available, a Farm Service Agency program called **NAP** (non-insured crop

disaster assistance program) is required, which covers losses due to weather and natural disas-

ters. Crop insurance is an important and powerful risk management tool that producers should consider.

Insurable Causes of Loss

- Adverse weather conditions
- Earthquake
- Failure of irrigation or water supply
- Fire
- Insects
- Plant disease
- Price change
- Volcanic eruption
- Wildlife

Reporting Requirements

Acreage Report: You must report to your crop insurance agent by the acreage reporting date all the acres of the crop in which you have a share.

Notice of Loss: In the event of a loss (1) protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage; (3) You can request permission to leave representative samples which have been selected by an adjuster, for each field of the damaged unit of harvested grain.

Insurance Plans

Yield Protection: insurance coverage providing protection only against a production loss.

Revenue Protection Plan: a plan of insurance that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both. If the harvest price exclusion is elected, the insurance coverage provides protection only against loss of revenue due to a production loss, price decline, or a combination of both.

Revenue Protection with Harvest Price Exclusion: Insurance coverage that excludes the use of the harvest price in the determination of the revenue protection guarantee.

Written Agreement: because there is no canola policy in New Jersey, you have the option of having RMA and your crop insurance agent draw up an agreement for you based on a policy from a state in which there is a canola policy.



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

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Insurance Units

A **basic insurance unit** includes all your insurable canola acreage in the county in which you have 100% share and includes any cash-rented land. If you grew canola on

shares with another entity, the acreage would be a separate basic unit. A 10% premium discount applies. A basic unit can be divided into two or more **optional units**

by FSA farm serial numbers (FSN), and irrigated and non-irrigated practices. No premium discount applies.



Coverage Levels and Premium Subsidies

Coverage levels range from 50-75% of your approved yield. For example, an approved yield of 1700 pounds per acre would result in a guarantee of 1105 pounds per acre at the 65% coverage level. Crop insurance premiums are subsidized as shown in the following table. Your share of the premium would be 100% minus the subsidy amount. For example, if you select the 75% coverage level, the premium subsidy is 55%. Your premium share is 45% of the base premium for optional or basic units (100-55=45%), 23% for an enterprise unit (100-77=23%).

Coverage Level	CAT	0.50	0.55	0.60	0.65	0.70	0.75
Subsidy Factors Basic Unit	1.000	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
Enterprise Unit		0.80	0.80	0.80	0.80	0.80	0.77
Enterprise Unit By Practice		0.80	0.80	0.80	0.80	0.80	0.77



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