



United States
Department of
Agriculture

2005 Crop Insurance Fact Sheet

SAFFLOWER

Utah



Risk
Management
Agency

THIS FACT SHEET POINTS OUT CERTAIN FEATURES OF CROP INSURANCE AND IS NOT INTENDED TO BE COMPREHENSIVE. THE INFORMATION BELOW NEITHER MODIFIES NOR REPLACES THE TERMS AND CONDITIONS OF THE BASIC POLICY, THE CROP PROVISIONS, OR THE COUNTY ACTUARIAL DOCUMENTS. CONTACT A CROP INSURANCE AGENT FOR FURTHER DETAILS.

INSURED CROP

All types of safflower planted for harvest as safflower seed can be insured. Both irrigated and non-irrigated production practices are insurable. Safflower planted on land on which safflower, sunflowers, beans, mustard, lentils, or rapeseed were grown the preceding crop year is not insurable.

COUNTIES

Box Elder Cache Juab San Juan Utah

CAUSES OF LOSS

Adverse Weather Conditions (Including hail, frost, freeze, wind, drought, and excess precipitation)

Failure of Irrigation Supply, if caused by insured peril.

Insects and disease (does not cover damage due to insufficient or improper application of pest or disease control measures)

Earthquake, Wildlife, Fire and Volcanic Eruption.

IMPORTANT DATES

Sales Closing Date: March 15th

Final Planting Date: May 15th

Acreage Report Due: June 30th

COVERAGE & PREMIUM

The insurance guarantee is production measured in pounds of safflower. Individual amounts of insurance are based on a grower's past production and planted acres. Perspective insureds are asked to provide 4-10 years of actual yield history, which their average yield is calculated. In the absence of four years of actual yields, the yield is calculated using a combination of actual and transitional yields (estimate of county average).

Producers select a coverage level ranging from 50 to 75 percent of their individual approved yield. The producer also, selects 55 to 100 percent of the price announced by USDA. **Catastrophic Risk Protection (CAT)** coverage is equal to 50 percent of their approved average yield and 55 percent of their price.

Price Election: Price used to calculate your premium and indemnity **\$.12 per lb**

INSURANCE PERIOD

Producers must contact a crop insurance agent to apply for coverage or change their coverage before March 15 to insure the safflower they intend to plant. Insurance coverage begins when the crop is planted and ends no later than October 31 immediately following planting.

COST OF CROP INSURANCE

The Agricultural Risk Protection Act of 2000 raised the subsidies for federal crop insurance premiums substantially. For CAT coverage, growers pay an application fee of \$100 with 100 percent of the premiums being subsidized. Higher coverage levels pay an application fee of \$30 and premiums are subsidized at lower rates; USDA pays at least 50 percent of the premium. For more detailed information about the amounts of coverage and premiums, please contact a crop insurance agent or your local county FSA office for an agent listing.



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LOSS EXAMPLE - SAFFLOWER

A claim is filed whenever production falls short of the guarantee selected by the insured. The amount of a loss is determined by multiplying the production shortfall by the pre-selected price.

(Based on Actual Production History (APH) yield of 800 lbs/ac, 75% coverage level, selected price of \$.12 per pound, 100% share.)

800	Pounds per acre average yield (APH)
<u>x .75</u>	Coverage level
600	Pounds per acre guarantee
<u>- 200</u>	Pounds per acre actually produced
400	Pounds per acre loss
<u>x \$.12</u>	Price election
\$ 48	Gross indemnity per acre

For more information, visit the Risk Management Agency web site at www.rma.usda.gov

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