

United States Department of Agriculture Risk Management Agency

Dec. 2007

2008 COMMODITY INSURANCE FACT SHEET

Dry Beans

Utah

Crop Insured

- Edible dry beans (pinto and anasazi), or
- Other types may be insured by written agreement.

Counties Available

San Juan

* In other counties by written agreement.

Causes of Loss

Adverse Weather Conditions¹ Insects³
Failure of Irrigation Water Supply² Plant Disease³
Fire⁴
Wildlife⁵

Important Dates

| Sales Closing | March 15 |
|--------------------|----------|
| Earliest Planting | May 16 |
| Final Planting | June 15 |
| Acreage Report Due | July 15 |

Insurance Period

Insurance period attaches when the beans are planted and ends at the earliest of :

- Total destruction of the beans
- Final adjustment
- Harvest of the unit
- October 31st

Coverage Levels & Premium Subsidies

Individual amounts of insurance are based on:

- Grower's 4-10 years of actual yield history,
- In the absence of four years of actual yield history, use a combination of actual and transitional yields.
- Selects a coverage level ranging from 50-75;
- Selects 55 to 100 percent of the price announced by USDA.
- Catastrophic Risk Protection (CAT):
 - Coverage Level: 50 percent
 - Price Election: 55 percent.

Price Election: Price Elections are used to calculate your premium and indemnity.

Pinto \$.23 per pound Anasazi \$.35 per pound

Cost of Crop Insurance

The Agricultural Risk Protection Act of 2000 raised the subsidies for federal crop insurance premiums substantially.

- CAT coverage:
 - Pay an application fee of \$100; and
 - 100 percent of the premiums subsidized.
- Higher coverage levels:
 - Pay an application fee of \$30; and
 - Premiums subsidized at lower rates;
 - USDA pays at least 50 percent of the premium.
- For more detailed information contact:
 - A crop insurance agent; or
 - Your local county FSA office for an agent listing.

¹Natural perils such as hail, frost, freeze, wind, drought, and excess

²If caused by an insured peril during the insurance period.

³But not damage due to insufficient or improper application of control measures.

⁴Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed

⁵Unless wildlife control measures have not been taken.

Loss Example

- Actual Production History (APH) yield: 600 lb/ ac.
- Coverage level: 65%,
- Pinto Beans with a price election: \$.23 per pound,
- Share 100%.

| 600 | Pounds per acre average yield (APH) |
|---------|-------------------------------------|
| x .65 | Coverage Level |
| 390 | Pounds per acre guarantee |
| - 200 | Pounds per acre actually produced |
| 190 | Pounds per acre loss |
| x \$.23 | Price Election** |
| \$43.70 | Indemnity per acre |

Where to Purchase Crop Insurance

All MPCI, including CAT coverage insurance policies are available from private insurance agents. A list of crop insurance agents is available on the RMA website at:

http://www3.rma.usda.gov/tools/agents/

Download Copies from the Web

Visit our online publications/fact sheets page at: http://www.rma.usda.gov/pubs/#bfr.

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