

## **November Deadline for 2013 Apple and Peach Crop Insurance Programs**

When it comes to protecting farm income and investment, apple and peach growers need to consider all available options. The USDA Risk Management Agency has announced that November 20, 2012 will be the final date for New Hampshire growers to obtain peach and apple crop insurance for next year. Current policy holders also have until November 20 to make any changes to their existing contract.

Federal apple and peach crop insurance policies have many options related to coverage levels and insurance units. In addition, apple policies can provide protection against loss of quality. With the changing weather patterns it's important to explore these options.

### **New Peach Policy**

There is a new peach insurance policy for 2013. It contains new fresh fruit provisions similar to those of the apple crop insurance policy. These provisions include records to substantiate past fresh fruit sales and other requirements.

### **Price Elections and Coverage Levels for Apples and Peaches**

For 2013, the fresh apple price is \$15.55 per bushel, while the fresh peach price is \$44.50 per bushel. Acreage can be reported as fresh acreage only if you can certify the production as fresh and can provide verifiable records to support at least 50% of the production was sold as fresh in one or more of the four most recent years.

With both policies, you can choose how much of your production history you would like to guarantee. Options range from 50 to 75% percent, increasing in 5% increments.

The lowest level of coverage, referred to as catastrophic coverage or simply CAT, provides a 50% production guarantee with losses paid at 55% of the maximum indemnity price. CAT cost is \$300 per crop per county. No consideration is given for loss of grade. Apples grading U.S. #1 processing or better whether harvested or left on the tree will count as production under CAT

Carrying coverage levels higher than CAT is often referred to as buy-up coverage. Buy-up coverage provides greater production guarantees and allows for payments to be based on 100% of the indemnity price.

### **Quality Coverage for Apples**

Under the apple policy, there is an option to take into account the quantity of your apples. If 50% of your apples do not grade U.S. Fancy or better due to a covered peril, it is a 70% loss. If 65% of your apples do not grade U.S. Fancy or better due to a covered peril, it is a 100% loss. You must discuss with the insurance adjuster what you can do with the fruit after it has been assessed under this option. Failure to do so can adversely affect the outcome of your claim. Sales records must be maintained by unit!

## **Optional Unit Structure**

You may be able to divide your orchard into optional units for insurance purposes if for each optional unit, you have different Farm Serial Numbers, or your orchard consists of non-contiguous land. Separate units are also available for fresh and processing apples. You must be able to supply production records based on this unit structure

## **More Information**

If you would like to learn more about the apple or peach crop insurance programs, consider attending Tree Fruits–Year in Review and Planning for the Future on November 10<sup>th</sup> at the UNH Cooperative Extension office in Hillsborough County (tel. 603-641-6060). You are also encouraged to contact your local insurance agent for information about any crop insurance program. A list of crop insurance agents is available from your local USDA Farm Service Agency office or on the Risk Management Agency web site:

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