

# Crop Insurance for your Vineyard



## How to Insure your Grapes

Currently, there is no grape 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 grapes or a similar crop, you can request a “written agreement” with the help of your crop insurance agent. This means that your agent will help you request RMA (Risk Management Agency) to transfer a grape crop insurance policy from an area where grapes are grown (such as New York or Pennsylvania) and adapt it to your conditions, provided you meet certain requirements. If it is approved you have a crop insurance policy for your grapes!

## Requirements for your Grape Policy

The requirements for your grape policy would be similar to other states requirements which are:

- Vines must have reached fifth growing season (fourth for Concord, Elvira, and Niagara varieties)
- Vines must have produced an average of 2 tons per acre in at least one of the 3 most recent crop years

## Grape 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 available. Crop insurance is an important and powerful risk management tool that producers should consider.

## Insurable Causes of Loss

- Adverse weather conditions
- Fire
- Insects and plant disease
- Wildlife



### IMPORTANT DATES:

Sales Closing and Policy  
Change Deadline – NY:  
Nov 20, 2011

Sales Closing and Policy  
Change Deadline – PA:  
Nov 20, 2011



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## Reporting Requirements for a Grape Insurance Policy

An **acreage report** is due to your agent, this report should include all acreage (insurable and uninsurable) sorted by type in which you have a share. If crop damage occurs you must file a **notice of damage** within 72 hours of initial discovery of damage. If crops are damaged during growing season and you previ-

ously gave notice you must also provide notice at least 15 days prior to the beginning of harvest if you intend to claim an indemnity. If the crop will not be harvested, you must give notice within 3 days of the date harvest should have started. **Production reports** are also required to be submitted as part of the terms of

the crop insurance agreement. These reports must include a production report for the previous year, number and ages of bearing vines, any changes that may adversely impact yield potential (vine damage or removal, change in cultural practices), and other information as required by the policy.

## Coverage Levels and Premium Subsidies

Coverage levels may vary slightly with a written agreement, however, here is an example of the coverage levels and premium subsidies that can be obtained through Pennsylvania's crop insurance policy.

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

## Crop Loss and Indemnity Payment Example

This example assumes a 65% coverage level, **Vidal Blanc** variety, average yield of 4 tons per acre, and basic units.

4	Tons
x .65	Coverage level percentage
<u>2.6</u>	Tons per acre guarantee
- 1.0	Tons production per acre
<u>1.6</u>	Tons loss per acre
x \$550	Price election ( <i>Vidal Blanc</i> )
<u>\$880</u>	Indemnity
- 33	Estimated producer premium
<u>\$847</u>	Net indemnity per acre

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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