Grape Crop Insurance for the 2016 crop year
Insured Counties

Cattaraugus, Chautauqua, Erie, Niagara, Ontario, Schuyler, Seneca, Steuben, Suffolk, Ulster, Wayne, Yates, and Erie County, PA

Vinifera varieties are now insurable in:
Ontario, Schuyler, Seneca, Steuben, Suffolk and Yates counties

• Grapes in other counties may be insurable by individual written agreement if specific criteria are met.

If crop insurance protection is not available, the Non-Insured Disaster Assistance Program (NAP) from FSA may also provide protection for the acreage.

Contact an crop insurance sales agent for more details.
Requirements For Requesting Insurance Not Available In Your County

• Acceptable acreage and production records for at least the most recent 3 consecutive crop years.
• Confirmation from agricultural experts that the crop can be produced in the County.
• Dates you and other growers in the area normally plant and harvest the crop.
• Name, location and approximate distance to the place the crop will be sold or used by the producer.
• The legal description of the requested land with FSA farm numbers, tract numbers, and field numbers including aerial or GPS maps.
• Pre-Acceptance Inspection Report (PAIR) and Worksheet (PAW).
Crop Insured

Grape varieties grown for wine or juice are insurable if the vines have:

- Reached the fifth growing season for all Native and Hybrid varieties
- Reached the seventh growing season for all Vinifera varieties
- Produced an average of 2 tons per acre in at least one of the three most recent crop years unless we inspect and allow insurance on acreage that has not produced this amount.
Insurable Age of Vinifera Vines

Written Agreement requests may be considered by the Raleigh Regional Office for blocks of grapes added to an existing unit of the same variety with vines less than seven growing seasons if the inspection is favorable.
Certified Organic or Transitioning Acreage

Insurance is provided for:

- Certified organic acreage
- Transitional acreage being converted to certified organic acreage in accordance with an organic plan
- Buffer zone acreage
Causes of Loss

• Adverse Weather (natural weather perils)
• Fire (unless weeds are not controlled or pruning wood has not been removed from the vineyard)
• Unavoidable Insects and Plant Disease (but not damage due to lack of, or improper application of insecticides or fungicides)
• Failure of Irrigation Water Supply (if caused by a weather related peril during insurance period)
• Wildlife
Cause of Loss

Freeze is not a cause of loss for vinifera grapes if recognized cultural practices are not followed to prevent trunk injury or death.

For example:

- Hilling-up of graft unions in the Fall and de-hilling in the Spring.
- Maintaining two or three trunks, as opposed to a one trunk training system.
Causes of Loss Not Covered

Market: Inability to market the grapes other than damage from an insurable cause.

Phylloxera, regardless of cause.
Important 2016 Crop Year Dates

Sales Closing, Policy Change, Cancellation and Termination Date ... November 20, 2015

Production Report Date ......................... January 15, 2016

Acreage Report Date ............................. January 15, 2016

Billing Date ............................................... August 15, 2016

End of Insurance Period ....................... November 20, 2016
Unit Division

**Basic Units** are by Share (CAT & Buy-Up Ins.)

**Optional Units** are by:

- FSA Farm Serial Number
- Irrigated and Non-Irrigated Acreage
- Organic farming Practices
- Non-Contiguous Land (Grape acreage that is separated by land neither owned or rented by you)
- Separate Types (A category of grapes, one or more varieties, identified as a type in the Special Provisions)
Native Varieties and Price Election for 2016 per ton

• Niagara.........$280
• Concord.........$280
• Catawba.........$325
• Elvira............$280
• Dutchess........$415
• Isabella.........$460

• Diamond............$460
• Delaware..........$380
• Ives................$400
• Golden Muscat..$375
• Lumbrusca.........$250
• All other native varieties..........$250
Hybrid Varieties and Price Election for 2016 per ton

- Chambourcin......$780
- Traminette.........$825
- Baco Noir..........$575
- Geneva Red 7.....$585
- Dechaunac.........$495
- Rosette............$420
- Sevyl Blanc........$600
- Vignoles............$715
- Aurore...............$385
- Cayuga White.....$560
- Vidal Blanc.........$620
- Vincent...............$600
- Chardonel..........$750
- Casade...............$280
Hybrid Varieties and Price Election for 2016 per ton

- Leon Millot.......$630
- Chancellor.......$665
- Valvin Muscat..$720
- Castel............$625
- Colobel...........$605
- Rougeon...........$530
- Villard Blanc.....$700
- Melody.............$540
- Noiret...............$575
- Chelois............$810
- St. Vincent.......$475
- Machal Froch....$655
- Corot Noir........$575
- Landot Noir.......$575
- All other Hybrid varieties..............$280
Vinifera Varieties and Price Election for 2016 per ton

- Cabernet Franc ............... $1,195
- Cabernet Sauvignon ....... $1,625
- Chardonnay .................... $1,145
- Gamay ............................... $1,625
- Gewurztraminer ............ $1,490
- Merlot ................................. $1,760
- Pinot Blanc ....................... $1,385
- Pinot Noir ......................... $1,645
- Sauvignon Blanc ........... $1,590
- Riesling ............................... $1,270
Vinifera Varieties and Price Election for 2016 per ton

- Pinot Gris.................$1,575
- Viognier...................$1,690
- Syrah........................$1,775
- Sangiovese...............$1,760
- Dornfelder.................$1,200
- Carmine....................$1,145
- Muscat Ottonel..........$1,550
- Lemberger.................$1,335
- All other Viniferas.....$1,145
## Federal Government Subsidy

<table>
<thead>
<tr>
<th>Coverage Level</th>
<th>CAT</th>
<th>50%</th>
<th>55%</th>
<th>60%</th>
<th>65%</th>
<th>70%</th>
<th>75%</th>
<th>80%</th>
<th>85%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Subsidy</td>
<td>100%</td>
<td>67%</td>
<td>64%</td>
<td>64%</td>
<td>59%</td>
<td>59%</td>
<td>55%</td>
<td>48%</td>
<td>38%</td>
</tr>
<tr>
<td>Your portion of the premium</td>
<td>$300</td>
<td>33%</td>
<td>36%</td>
<td>36%</td>
<td>41%</td>
<td>41%</td>
<td>45%</td>
<td>52%</td>
<td>62%</td>
</tr>
</tbody>
</table>
Loss Example-Grapes

This example assumes 65% coverage level, Vidal Blanc variety, average yield of 4 tons per acre and a 2016 production of 1 ton per acre:

\[
4 \text{ tons} \times 0.65 \text{ coverage level} = 2.6 \text{ tons guarantee} \\
2.6 \text{ tons guarantee} - 1 \text{ ton produced} = 1.6 \text{ tons per acre loss} \\
1.6 \text{ tons} \times $700 \text{ Price Election} = $1,120.00 \text{ indemnity payment per acre}
\]
Quality Adjustment

- Grapes qualify if, due to insurable causes, the damaged grapes have a value less than 75% of the average market price of undamaged grapes of the same or similar variety.

- Undamaged grape price determined by averaging the prices of undamaged grapes during the week that damaged grapes were valued.

- Value of damaged grapes, and the average market price of undamaged grapes are determined the earlier of the date the grapes are sold, or the date of final inspection for the unit.
Quality Adjustment

Dividing the value per ton of the damaged grapes by the value per ton for undamaged grapes (the value of undamaged grapes will be the lesser of the average market price or the maximum price election for such grapes).

Multiply this result by the tons of damaged grapes.
Quality Loss Example

Vidal Blanc variety, 4 tons per acre average yield, 65% coverage level, produced 4 tons per acre in 2015 with a value of $175 due to an insurable cause.

$175/$700 = .250 Adjustment factor

.250 X 4 tons  = 1.0 Adjusted Production

2.6 tons guarantee – 1.0 = 1.6 X $700 =

$1,120 + $700 = $1,920 total revenue per acre
### New York Grapes Crop Insurance Performance

<table>
<thead>
<tr>
<th>Crop Year</th>
<th>Total Losses Paid</th>
<th>Total Premium</th>
<th>Producer Premium</th>
<th>Total CAT Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$3,075,973</td>
<td>$2,809,605</td>
<td>$1,614,399</td>
<td>$4,347</td>
</tr>
<tr>
<td>2014</td>
<td>$1,284,466</td>
<td>$2,689,628</td>
<td>$1,143,055</td>
<td>$0.00</td>
</tr>
<tr>
<td>2013</td>
<td>$266,898</td>
<td>$2,471,929</td>
<td>$1,047,148</td>
<td>$0.00</td>
</tr>
<tr>
<td>2012</td>
<td>$5,377,825</td>
<td>$2,384,250</td>
<td>$1,008,327</td>
<td>$23,022</td>
</tr>
<tr>
<td>2011</td>
<td>$629,742</td>
<td>$1,842,658</td>
<td>$768,138</td>
<td>$40,151</td>
</tr>
<tr>
<td>Totals</td>
<td>$10,634,904</td>
<td>$12,198,070</td>
<td>$5,581,067</td>
<td>$67,520</td>
</tr>
</tbody>
</table>

- **Loss Ratio**: $.87
- **Producer Indemnity To Premium Ratio**: $1.91
## NYS Crop Insurance Performance
**Does it Really Work?**

<table>
<thead>
<tr>
<th>Crop Year</th>
<th>Losses Paid</th>
<th>Total Premium</th>
<th>Producer Premium</th>
<th>CAT Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$45,846,912</td>
<td>$46,178,732</td>
<td>$15,472,589</td>
<td>$3,879,918</td>
</tr>
<tr>
<td>2014</td>
<td>$40,965,370</td>
<td>$45,027,018</td>
<td>$14,529,313</td>
<td>$330,120</td>
</tr>
<tr>
<td>2013</td>
<td>$38,886,087</td>
<td>$43,099,979</td>
<td>$13,313,260</td>
<td>$1,140,729</td>
</tr>
<tr>
<td>2012</td>
<td>$67,338,593</td>
<td>$37,385,070</td>
<td>$11,518,964</td>
<td>$2,363,225</td>
</tr>
<tr>
<td>2011</td>
<td>$46,293,879</td>
<td>$36,210,305</td>
<td>$10,682,070</td>
<td>$2,577,161</td>
</tr>
<tr>
<td>2010</td>
<td>$25,991,797</td>
<td>$28,026,094</td>
<td>$8,660,051</td>
<td>$576,709</td>
</tr>
<tr>
<td>2009</td>
<td>$29,585,486</td>
<td>$27,463,540</td>
<td>$8,495,521</td>
<td>$657,211</td>
</tr>
<tr>
<td>2008</td>
<td>$21,679,673</td>
<td>$26,820,832</td>
<td>$8,772,954</td>
<td>$260,029</td>
</tr>
<tr>
<td>2007</td>
<td>$15,046,780</td>
<td>$21,844,446</td>
<td>$7,194,830</td>
<td>$322,404</td>
</tr>
<tr>
<td>2006</td>
<td>$20,181,398</td>
<td>$18,593,818</td>
<td>$6,195,863</td>
<td>$818,990</td>
</tr>
<tr>
<td>Totals</td>
<td>$351,815,975</td>
<td>$330,649,834</td>
<td>$104,835,415</td>
<td>$9,434,496</td>
</tr>
<tr>
<td>Loss Ratio $1.06</td>
<td>Producer Benefit $3.36</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Additional Information

USDA Risk Management Agency (RMA)

www.rma.usda.gov/
To find a crop insurance agent, go to 
www.rma.usda.gov/tools/agent.html

NYS Department of Agriculture and Markets
Crop Insurance & Risk Management Education
www.agriculture.ny.gov/AP/CropInsurance.html
1-800-554-4501
The alternative to having crop insurance.
THANK YOU!