



**Agriculture
and Markets**



Grape Crop Insurance for the 2016 crop year



*This institution is an equal
opportunity provider.*

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 | • Vignoles.....\$715 |
| • Traminette.....\$825 | • Aurore.....\$385 |
| • Baco Noir.....\$575 | • Cayuga White.....\$560 |
| • Geneva Red 7.....\$585 | • Vidal Blanc.....\$620 |
| • Dechaunac.....\$495 | • Vincent.....\$600 |
| • Rosette.....\$420 | • Chardonel.....\$750 |
| • Sevyl Blanc.....\$600 | • 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

Coverage Level	CAT	50%	55%	60%	65%	70%	75%	80%	85%
Federal Subsidy	100%	67%	64%	64%	59%	59%	55%	48%	38%
Your portion of the premium	\$300	33%	36%	36%	41%	41%	45%	52%	62%

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:

$4 \text{ tons} \times .65 \text{ coverage level} = 2.6 \text{ tons guarantee}$

$2.6 \text{ tons guarantee} - 1 \text{ ton produced} = 1.6 \text{ tons per acre loss}$

$1.6 \text{ tons} \times \$700 \text{ Price Election} = \$1,120.00$
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.

$$\$175/\$700 = .250 \text{ Adjustment factor}$$

$$.250 \times 4 \text{ tons} = 1.0 \text{ Adjusted Production}$$

$$2.6 \text{ tons guarantee} - 1.0 = 1.6 \times \$700 =$$

$$\$1,120 + \$700 = \$1,920 \text{ total revenue per acre}$$



New York Grapes Crop Insurance Performance

Crop Year	Total Losses Paid	Total Premium	Producer Premium	Total CAT Payments
2015	\$3,075,973	\$2,809,605	\$1,614,399	\$4,347
2014	\$1,284,466	\$2,689,628	\$1,143,055	\$0.00
2013	\$266,898	\$2,471,929	\$1,047,148	\$0.00
2012	\$5,377,825	\$2,384,250	\$1,008,327	\$23,022
2011	\$629,742	\$1,842,658	\$768,138	\$40,151
Totals	\$10,634,904	\$12,198,070	\$5,581,067	\$67,520
Loss Ratio \$.87			Producer Indemnity To Premium Ratio \$1.91	

NYS Crop Insurance Performance

Does it Really Work?

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

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



*This institution is an
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NYS Department of Agriculture and Markets

Crop Insurance & Risk Management Education

www.agriculture.ny.gov/AP/CropInsurance.html

1-800-554-4501



**Agriculture
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The alternative to having crop insurance.



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THANK YOU!



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