United States Department of Agriculture
Risk Management Agency

July 2004

2005 COMMODITY INSURANCE FACT SHEET

Fresh Market Sweet Corn

New Jersey

Crop Insured

Acreage planted to Sweet Corn to be harvested and sold as **fresh market sweet corn** is insurable, including irrigated and non-irrigated land. To be insured, the producer must have grown sweet corn for commercial sale or participated in managing a sweet corn farming operation in at least one of the three previous crop years.

Exclusion: Sweet Corn inter-planted with another crop or in established grasses or legumes is not covered.

Counties Available

Fresh Market Sweet Corn insurance is available in most New Jersey counties. Sweet Corn may be insurable in other counties if specific criteria are met. Contact a crop insurance agent for more details.

Causes of Loss

Drought	Excess Rain
Excess Wind	Fire
Freeze	Hail
Failure of Irrigation Water Supply[1]	Tornado

[1] If caused by an insured cause of loss.

Note: This policy does not cover any loss of production due to disease or insect infestation, unless effective control measures do not exist for such infestation; or failure to market the sweet corn, unless such failure is due to actual physical damage caused by an insured cause of loss that occurs during the insurance period.

Insurance Period

Coverage usually begins when the sweet corn is planted and ends the earliest of: (1) total destruction of the crop, (2) the date harvest should have started on any acreage that will not be harvested, (3) abandonment of the crop, (4) completion of harvest, (5) final adjustment of a loss, (6) September 30 following planting.

Reporting Requirements

Acreage Report—You must give a report of all your sweet corn acreage in the county by the acreage reporting date (July 15).

Important Dates

Sales Closing	March 15, 2005
Final Planting Date	June 30, 2005
Acreage Report Date	July 15, 2005

Definitions

Allowable Cost—An amount not to exceed $3.05 per container for harvesting and marketing costs (e.g., picking, hauling, packing, shipping, etc.) that is subtracted from the average price received to determine value of sold production.

Container—Fifty (50) ears of fresh sweet corn.

Guarantee—A guaranteed dollar amount of coverage

Minimum Value—A minimum value of $4 per container will be used to determine value of production.

Replant Provisions

A replant payment may be allowed if, due to an insured cause of loss, more than 25 percent of the remaining plant stand will not produce sweet corn and it is still practical to replant. Replant payments will not be made on acreage where the crop was initially planted earlier than specified in the Special Provisions of Insurance for the county. The replant payment per acre will not exceed $100 in any event.

Coverage Levels & Premium Subsidies

Instead of guaranteeing production, the policy guarantees a dollar amount of coverage, depending on the level of coverage selected. Crop insurance premiums are subsidized as shown. For example if you select the 75% coverage level, the premium subsidy is 55% and your premium share is 45% of the base premium:

Item	Percent					
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

Catastrophic (CAT) Coverage is the equivalent of 27.5% of the reference maximum dollar amount stated in the actuarial tables. CAT is 100% subsidized with no premium cost to you except for an administrative fee of $100, regardless of the acreage.

Loss Example

A loss occurs when the crop value falls below the guaranteed dollar amount as a result of damage from a covered cause of loss.

NOTE: Revenue losses caused by low market prices or low consumer demand are not covered.

This example assumes 50 containers per acre produced and sold for $10 each, less allowable cost of $3.05, yields a net value of $6.95 per container.

	$500	Dollar amount of coverage selected per acre
-	$348	Production-to-count (50 containers @ $6.95)
	$152	Loss per acre
-	$36	Estimated premium per acre
	$116	**Net indemnity per acre**

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