



United States Department of Agriculture
Risk Management Agency

April 2007

2007 COMMODITY INSURANCE FACT SHEET

Grain Sorghum - APH

Alabama, Florida, Georgia, South Carolina

Crop Insured

The crop insured will be all the grain sorghum in the county for which a premium rate is provided by actuarial documents:

- In which you have a share;
- That is planted for harvest as grain;
- That is combine-type hybrid grain sorghum grown from hybrid seed; and
- That is not a dual-purpose type of grain sorghum used for both grain and forage (unless allowed through a written agreement of insurance;

Counties Available

More than one insurance plan is offered for grain sorghum in some locations. Contact your crop insurance agent for more details on plans offered in your state and county.

Causes of Loss

Adverse weather conditions
 Earthquake
 Failure of irrigation water supply¹
 Fire
 Insects²
 Plant disease³
 Volcanic eruption
 Wildlife

¹If caused by an insured peril during the insurance period. ²But not damage due to insufficient or improper application of pest control measures. ³But not damage due to insufficient or improper application of disease control measures.

Insurance Period

Coverage begins when the crop is planted and ends at the earliest of:

- 1) Total destruction of the crop;
- 2) Harvest of the crop;
- 3) Final adjustment of a loss;
- 4) Abandonment of the crop; or
- 5) December 10.

Reporting Requirements

Acreage Report—You must timely report all acres of the crop in which you have a share to your insurance agent by the acreage reporting date.

Notice of Loss— (1) Protect the crop from further damage by providing sufficient care; (2) notify your agent within 72 hours of your initial discovery of damage; and (3) leave representative samples intact for each field of the damaged unit.

Important Dates

Sales Closing.....	February 28
Acreage Reporting.....	June 30
Premium Billing.....	October 1
Cancellation/Termination.....	February 28

Definitions

Price Election— The price used to calculate your premium or indemnity. Only one price election may be made for all your grain sorghum in a county.

Price elections are posted on the RMA Web site at: <http://www3.rma.usda.gov/apps/pricesinquiry/>

APH Yield— Your actual production history (APH) yield used to determine the production guarantee. The APH yield is based on up to 10 years of actual and/or assigned yields.

Production Guarantee— Number of bushels guaranteed determined by multiplying your average APH yield times the coverage level percentage you elect times your planted acres.

Replant Provisions

A replanting payment is allowed if the grain sorghum is damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90-percent of the production guarantee and it is practical to replant. The maximum amount of the replanting payment per acre will be the lesser of:

- 20-percent of the production guarantee multiplied by your price election and share; or
- Seven bushels multiplied by your price election and share.

Note: Replanting payments are not available with CAT coverage.

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75-percent of your average yield. Crop insurance premiums are subsidized as shown in the following table. For example, if you select the 65-percent coverage level, your premium share would be 41-percent 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 fixed at 50 percent of average yield and 55 percent of the price election. CAT is 100 percent subsidized with no premium cost to you. There is, however, an administrative fee of \$100 per county, regardless of the acreage.

Insurance Units

Your insurable acreage is grouped into a unit based on one of the following unit arrangements.

Basic Units: A basic insurance unit includes all of your grain sorghum acreage in the county in which you have 100-percent share and includes any cash-rented land. If you also grew grain sorghum on shares with another entity, that acreage would be a separate basic unit. Premiums are reduced 10-percent if you insure under basic units.

Optional Units: If a basic unit consists of two or more farm serial numbers (FSN) and certain record-keeping criteria are met, you may select optional units by FSN. The 10-percent basic unit premium discount will not apply.

Prevented Planting

Prevented planting coverage will be 60-percent of your production guarantee for timely planted acreage. Please consult a crop insurance agent for details on increasing this coverage.

Loss Example

This example is based on non-irrigated grain sorghum with an average yield of 57 bushels per acre, 65-percent coverage level, 12 bushels of production to count, a \$3.10 per bushel price election, 100-percent share and a one acre basic unit.

57	Bushels per acre average yield
<u>x .65</u>	Coverage level percentage
37	Bushels per acre guarantee
<u>- 12</u>	Bushels actual production
25	Bushel loss
<u>x \$ 3.10</u>	Price election
\$77.50	Indemnity per acre

Download Copies from the Web

Visit our online publications/fact sheets page at:
http://www.rma.usda.gov/aboutrma/fields/ga_rso/

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's Target Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.