USDA RMA

United States Department of Agriculture
Risk Management Agency

October 2005

2006 COMMODITY INSURANCE FACT SHEET

# Cultivated Wild Rice

## California

### Crop Insured

Wild rice planted for harvest as grain is insurable. In order to be insured, a crop of cultivated wild rice must be grown in a flood-irrigated, manmade field, known as a paddy, and planted for harvest as grain.

### Counties Available

Cultivated wild rice is available for insurance in the following counties: Lassen, Modoc, Shasta and Sutter counties. The crop may be insurable in other counties by written agreement if specific criteria are met. Contact an agent for more details.

### Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Insects[4]
Plant disease[3]
Wildlife[5]

[1]Natural perils such as hail, frost, freeze, wind, drought, and excess moisture. [2]If caused by an insured peril during the insurance period. [3]Unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed. [4]But not damage due to insufficient or improper application of control measures. [5]Unless wildlife control measures have not been taken.

### Important Dates

Sales Closing........................................ September 30
Final Planting Date..............................June 1 (Sutter)
.................................................... June 30 (All others)
Acreage Report Due........................................July 15

### Insurance Period

Producers must apply for coverage with a crop insurance agent before September 30 to insure their wild rice from the day of planting until the completion of harvest or October 15 of next year, whichever occurs first.

### Coverage Levels and Premium Subsidies

Individual amounts of insurance are based on past production and the guarantee is measured in pounds of wild rice (finished weight). Prospective insureds are asked to provide 4 to10 years of production history to their insurance agent from which their average yield can be calculated. Producers can select coverage levels from 50 to 75 percent of their individual approved average yield and 55 to 100 percent of the price announced by USDA, or Catastrophic Risk Protection (CAT) coverage equal to 50 percent of their approved average yield and 55 percent of the price.

**Price Election—**Price used to calculate your premium and indemnity: **$.85 per pound**

### Cost of Crop Insurance

The Agricultural Risk Protection Act of 2000 raised the subsidies for federal crop insurance premiums substantially. For CAT coverage, growers pay an application fee of $100 with 100 percent of the premiums being subsidized. Higher coverage levels are subsidized at lower rates; USDA pays at least 50 percent of the premium. For more detailed information about the amounts of coverage and premiums, please contact a crop insurance agent or your local county FSA office for an agent listing.

## Loss Example

A claim can be filed whenever production falls short of the guarantee selected by the insured. The amount of a loss is determined by multiplying the production shortfall by the pre-selected price.

Based on actual production history (APH) yield of 600 pounds per acre, 50-percent coverage level on 100 acres of wild rice, selected price of $.85 per pound.

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|---|---|
| 600 | Pounds per acre average yield (APH) |
| x .50 | Coverage level |
| 300 | Pounds per acre guarantee |
| - 100 | Pounds per acre actually produced |
| 200 | Pounds per acre loss |
| x $.85 | Price election |
| **$170** | **Indemnity per acre** |

## Where to Purchase Crop Insurance

All MPCI, including CAT coverage insurance policies are available from private insurance agents. A list of crop insurance agents is available on the RMA website at: http://www3.rma.usda.gov/tools/agents/

## Download Copies from the Web

Visit us at:
http://www.rma.usda.gov/aboutrma/fields/ca_rso/.



## Regional Contact for RMA

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