



United States Department of Agriculture
Risk Management Agency

April 2008

2008 COMMODITY INSURANCE FACT SHEET

Grain Sorghum

California

Crop Insured

The crop insured will be combine-type hybrid grain sorghum (hybrid seed) and grain sorghum planted for harvest as grain. Coverage for dual-purpose grain sorghum may be allowed if certain criteria are met.

Counties Available

Grain sorghum is insurable in Glenn, Sacramento, Sutter, Tulare and Yolo counties. Grain sorghum in other counties may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire³
Insects⁴
Plant disease⁴
Wildlife⁵

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

Insurance Period

Growers must apply for coverage on their crop with an insurance agent by February 28. Coverage on your grain sorghum crop begins immediately following planting and ends the earliest of when you harvest or December 10.

Important Dates

Sales Closing.....February 28
Final Planting Date.....June 30
Acreage Report Due.....July 15

Coverage Levels and Premium Subsidies

Individual amounts of insurance are based on a grower's production history. Each grower's approved average yield is calculated from 4 to 10 years of production records provided to an insurance agent. Producers can select a level of coverage ranging from 50 to 75 percent of their approved average yield and 55 to 100 percent of a price announced by USDA, or Catastrophic (CAT) coverage based on 50 percent of their approved yield and 55 percent of the price.

Price Election: Price used to calculate your premium and indemnity: **\$4.45 per bushel**

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 Farm Service Agency office for an agent listing.

Loss Example

Based on actual production history (APH) yield of 100 bushels per acre, 75-percent coverage level, 100-percent share.

100	Bu per acre average yield (APH)
<u>x .75</u>	Coverage level percentage
75	Bu per acre guarantee
<u>- 59</u>	Bu per acre actually produced
16	Bu per acre loss
<u>x \$4.45</u>	Price election
\$71.20	Gross indemnity per acre

Where to Purchase Crop Insurance

All multi-peril crop insurance, including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at:

<http://www3.rma.usda.gov/tools/agents/>

Download Copies from the Web

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

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Regional Contact for RMA USDA/Risk Management Agency

Davis Regional Office

430 G Street, # 4168

Davis, CA 95616

Telephone: (530) 792-5870

Fax: (530) 792-5893

E-mail: rsoca@rma.usda.gov