

**Make Crop Insurance Part of Your Business Plan**

# **The Garden State Crop Insurance Education Initiative**

January 2004



## ***New Opportunities for 2004***

### ***New Communication Aid Announced for Farmers***

The Garden State Crop Insurance Education Initiative is in the middle of its third year providing educational opportunities to New Jersey farmers. In an effort to provide more complete support to the agricultural community concerning issues and questions on crop insurance, an 800 number has been set up so that all farmers throughout the state have access to the most up-to-date information.

Contact the Garden State Crop Insurance Education Initiative with any questions concerning crop insurance: what crops are covered and where, phone numbers and addresses of licensed crop insurance agents for New Jersey or to schedule an one-on-one consultation at your farm or at our office or a group discussion for your industry or commodity. Ideas for new crop insurance products also welcomed.

See Page Two for more information on the New Adjusted Gross Revenue – Lite program for 2004.

## **Toll Free Information Line Focusing on Crop Insurance**

**Call the Garden State Crop Insurance Education Initiative at**

# **800.308.2449**

**Ask for Kim Linonis or Dave Lee**

# ***NEW WHOLE FARM REVENUE PROTECTION AVAILABLE FOR 2004***

**Adjusted Gross Revenue** is for larger farms with up to about \$10 million annually of adjusted gross revenue. **Adjusted Gross Revenue-Lite** is a new more streamlined policy that is designed for producers of up to \$500,000 annual gross income. The table below provides a side-by-side comparison of the two insurance plans:

<b>AGR-LITE vs. AGR</b> <small>for Larger Producers</small>		
Issue	AGR-Lite	AGR
Max. Policy Liability	\$250,000 (up to \$500,000 Gross Revenue)	\$6.5 Mil.
Tax Forms Collected	At Time of Filing Claim	At Time of Application
Animal & Animal Product	No Percentage Limit	35% of Revenue
MPCI Required Too	Optional	Yes
Diversification Premium Credit-Small Rev. Crops	Allows Grouping for Credit	No Credit
Max. Coverage – Single Commodity Farms	75/65% of Gross Revenue	65/75% of Gross Revenue

**The insurance plans provide protection against revenue losses** from natural disasters or market fluctuations that cause loss of revenue.

**Most Commodities are insurable** under these plans including crops, animals, animal products (i.e. milk, eggs, wool, honey, etc.) and green house production.

**Records keeping requirements are minimized** under both plans as coverage is based on income tax records.

**Organic farming production is insurable.**

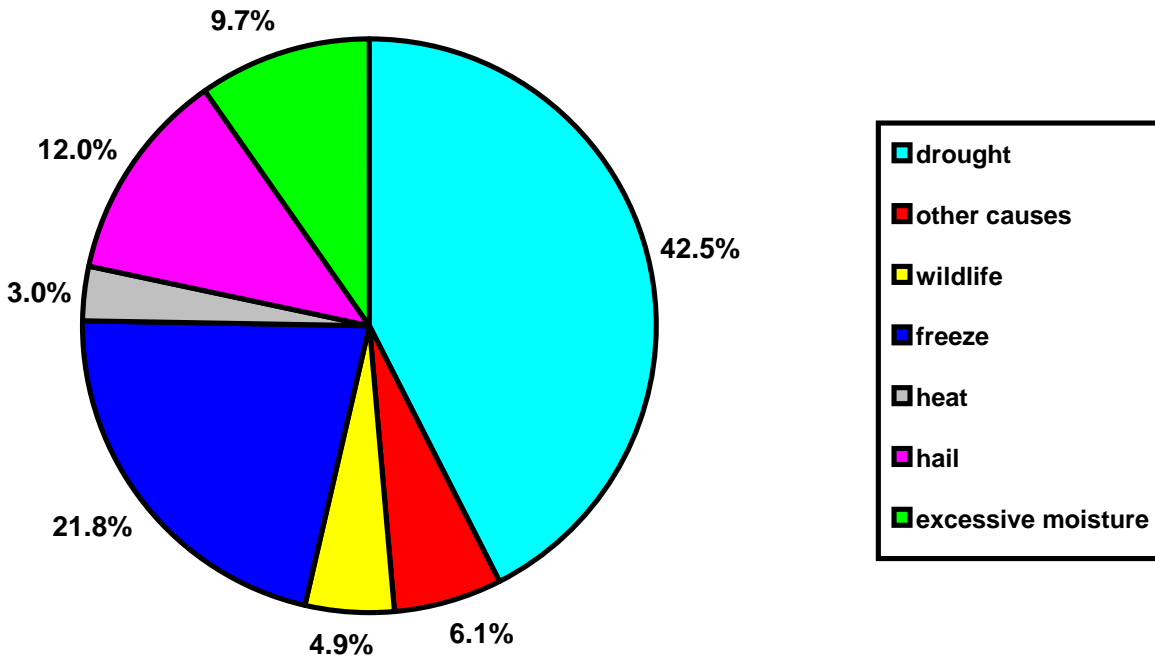
**Information required to obtain an insurance quote** are: 1998-02 federal income tax records (Schedule F. 1040 or other forms that reflect commodity income); and a list of the crops acres and expected revenue projections for 2004.

**An insurance quote** can be obtained from a crop insurance agent until the enrollment deadline (list available on [www.rma.usda.gov](http://www.rma.usda.gov) or [saalem.rutgers.edu/cropinsurance/](http://saalem.rutgers.edu/cropinsurance/)).

**Enrollment deadline:** January 31, 2004

As the last few years have demonstrated, ‘typical’ or ‘normal’ growing seasons are often not possible. Progressive farmers look for ways to minimize their risk exposure due to adverse weather conditions. Crop insurance may be a way for producers to transfer their production risks to a third party. Talk to a crop insurance agent or call NJ’s new crop insurance information line at 800.308.2449.

**Why NJ Crops Fail  
\$17 Million Paid by MPCCI 1981 - 02**



***Upcoming Trade Show Appearances for NJ Crop Insurance Education***

NJ Vegetable Growers (Borgata, Atlantic City)	Jan. 13 - 15, 2004
Mid Atlantic Fruit & Vegetable Convention (Hershey, PA)	Jan. 27 - 29, 2004
NOFA Winter Meeting (Cook College, New Brunswick, NJ)	Jan. 31, 2004
NJ State Agricultural Convention (Long Branch, NJ)	Feb. 2 - 4, 2004
3 <sup>rd</sup> Annual Women in Agriculture Conference (Dover, DE)	Feb. 6 & 7, 2004
Grain Marketing Risk Management Workshop (EcoComplex, NJ)	Feb. 19, 2004
Mid-Atlantic Direct Marketing Conference (Clarion, Cherry Hill, NJ)	Feb. 23 - 24, 2004

**Correction**

Blueberries are scheduled to come off pilot status in **2005** not 2004 as earlier reported. Therefore Blueberry APH policies are only available in Atlantic and Burlington counties for 2004. Sorry for any inconvenience.

## *2003 Crop Insurance Participation New Jersey*

<u>Crop</u>	<u>Plan</u>	<u>Type</u>	<u># Policies</u>
ADJUSTED GROSS REVENUE	Adjusted Gross Revenue	Buy-up	14
APPLES	Actual Production History	Buy-up	6
APPLES	Actual Production History	Catastrophic	23
BARLEY	Actual Production History	Buy-up	3
BARLEY	Actual Production History	Catastrophic	8
BLUEBERRIES	Actual Production History	Buy-up	4
BLUEBERRIES	Actual Production History	Catastrophic	54
BEANS (PROCESSING)	Actual Production History	Buy-up	10
BEANS (PROCESSING)	Actual Production History	Catastrophic	9
CORN	Crop Revenue Coverage	Buy-up	112
CORN	Actual Production History	Buy-up	160
CORN	Actual Production History	Catastrophic	246
CRANBERRIES	Actual Production History	Buy-up	3
CRANBERRIES	Actual Production History	Catastrophic	23
SWEET CORN (FRESH MARKET)	Dollar Amount of Insurance	Buy-up	5
SWEET CORN (FRESH MARKET)	Dollar Amount of Insurance	Catastrophic	79
SWEET CORN (PROCESSING)	Actual Production History	Buy-up	2
GRAIN SORGHUM	Actual Production History	Buy-up	1
NURSERY - FIELD GROWN & CONTAINER	Dollar Amount of Insurance	Catastrophic	29
OATS	Actual Production History	Buy-up	5
OATS	Actual Production History	Catastrophic	15
PEACHES	Actual Production History	Buy-up	8
PEACHES	Actual Production History	Catastrophic	47
POTATOES	Actual Production History	Buy-up	1
POTATOES	Actual Production History	Catastrophic	5
SOYBEANS	Crop Revenue Coverage	Buy-up	88
SOYBEANS	Actual Production History	Buy-up	162
SOYBEANS	Actual Production History	Catastrophic	180
TOMATOES	Actual Production History	Buy-up	6
TOMATOES	Actual Production History	Catastrophic	3
WHEAT	Actual Production History	Buy-up	30
WHEAT	Actual Production History	Catastrophic	104
WINTER SQUASH	Dollar Amount of Insurance	Buy-up	10
WINTER SQUASH	Dollar Amount of Insurance	Catastrophic	28
		<b>Total Policies</b>	<b>1,483</b>

### **The Garden State Crop Insurance Education Newsletters**

**Composition & Layout: Kim Linonis, Rutgers Cooperative Extension of Salem County**

**Editors: Dave Lee, Rutgers Cooperative Extension of Salem County**

**Bob Bruch, New Jersey Department of Agriculture**

**Gene Gantz, Risk Management Agency/USDA**

**Question and/or comments about the newsletter may be directed to Kim Linonis or Dave Lee  
at 800.308.2449 or via e-mail at [linonis@rce.rutgers.edu](mailto:linonis@rce.rutgers.edu)**