

# Potential Risk Management Tools for Nursery and Greenhouse Management

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Any time during the year is a good time to consider crop insurance for your nursery operation if you have never purchased it before. Only a 30-day waiting period stands between having your inventory covered or not.

The USDA Risk Management Agency's Federal Crop Insurance program provides three ways to insure nursery and greenhouse crops: 1) Dollar Amount of Insurance insures the grower's eligible container and/or in ground nursery plants. Insurable nursery and greenhouse crops include annual plants, broadleaf evergreen trees and shrubs, coniferous evergreen trees and shrubs, deciduous shrubs, deciduous trees (shade & flower), fruit and nut trees, foliage, ground cover and vines, herbaceous perennials, palms and cycads, roses, small fruits and liners. 2) Adjusted Gross Revenue (AGR) is a whole farm revenue plan that guarantees a percentage of the farm's revenue based on documentation of the business' last five tax years (Schedule F), and 3). Adjusted Gross Revenue-Lite (AGR-Lite) is a revenue protection plan similar to AGR, but with a lower cap of revenue protection. Dollar Amount and AGR-Lite coverage is available in all New York counties, while AGR is limited to sixteen counties at this time.

New York State ranks 12th in the United States in nursery and greenhouse production, including sod and floriculture, according to the United States Department of Agriculture, New York Agricultural Statistics Service 2007 Census. Nurseries and greenhouses contribute \$389,117,000 in gross sales in New York State. These high-dollar crops are at high risk with little coverage. In 2009, there were only 35 nursery and greenhouse policies providing \$18,151,410 in liability insurance throughout NYS.

## Important dates for nursery crop risk management in the northeast

	Dollar Amount Policy	AGR	AGR-Lite
<b>Enrollment Deadline</b>	Anytime for new enrollees  May 1, 2010 for renewals	January 31, 2010	January 31, or March 15 for new policies
<b>Waiting Period</b>	30 days	30 days	30 days
<b>Plant Inventory Report new policies</b>	May 1, 2010 for renewals  with application	N/A	N/A

The 2008 Farm Bill did away with ad hoc crop disaster payment programs. Now, in order to be eligible for the new disaster program, called the Supplemental Revenue Assistance program (SURE), all crops need to be insured or covered by the Noninsured Disaster Assistance Program (NAP which may be purchased from your local Farm Service Agency (FSA) office. In addition to the three types of crop insurance described above, Catastrophic crop insurance (CAT), which provides a guarantee of 27.5 percent of the insured Plant Inventory Value, makes a producer eligible for the SURE disaster program.

For more information about these risk management tools, please contact a crop insurance agent or refer to the RMA website agent search tool at <http://www.rma.usda.gov/tools/agent.html>. Also visit the New York State Department of Agriculture and Markets Crop Insurance Education program website at <http://www.agmkt.state.ny.us/AP/CropInsurance.html>.