



# HEMP ACTUAL PRODUCTION HISTORY

## OVERVIEW

This federally-reinsured pilot crop insurance program provides Actual Production History (APH) coverage for eligible hemp producers in certain counties in 21 states.

### Eligibility

The crop is insurable if:

- The grower has a share in the hemp crop;
- The grower has at least one prior year of history producing hemp;
- It is a type listed in the actuarial documents and grown for the production of industrial and consumer products;
- Premium rates are provided in the actuarial documents;
- It is grown under a processor contract executed by the applicable acreage reporting date;
- It is grown under official certification or license issued by the applicable governing authority that permits production of the hemp;
- It is planted for harvest as hemp in accordance with the requirements of the processor contract and production management practices of the processor; and
- It is planted to an adapted variety and not a variety prohibited by the applicable governing authority. (Refer to the Hemp Provisions.)

### Coverage and Premium Subsidy

Coverage	50%	55%	60%	65%	70%	75%
<b>Subsidy</b>	<b>67%</b>	<b>64%</b>	<b>64%</b>	<b>59%</b>	<b>59%</b>	<b>55%</b>

*Insured may only select one coverage level for each insured type in the county. The above is based on basic units. Additional subsidy is available for enterprise units. CAT coverage is also available.*

### At Application

- When applying for hemp crop insurance, the hemp producer must provide acceptable production evidence to verify they have produced the crop in any previous year.
- All insureds must provide acceptable production evidence to verify production of the hemp crop for any previous years.
- A record of acceptable production evidence will be one that has been documented at the FSA office for the county where the hemp crop will be insured or the local FSA office for any other county.
- A record from an applicable governing authority documenting the official THC testing of hemp grown by the insured will be an acceptable substitute ONLY if an FSA record is NOT available.

### AVAILABILITY

Available for eligible producers in certain counties in:

AL, CA, CO, IL, IN, KS, KY, ME, MI, MN, MT, NC, ND, NM, NY, OK, OR, PA, TN, VA and WI

*(Check actuarials for counties)*

### SALES CLOSING DATE

**March 15, 2020**

*(2021 and Succeeding Years: 2/28 for AL, CA & NC)*

### ACREAGE REPORTING DATE

**August 15, 2020**

### BILLING DATE

**October 1, 2020**

### CANCELLATION DATE

**February 28 or March 15**

*(of following year)*

### INSURANCE PERIOD

Coverage begins the later of application acceptance or the date when the crop is planted in the field, and ends with the earliest occurrence of one of the following:

- Total destruction of the crop;
- Harvest of the unit;
- Final adjustment of loss;
- Abandonment of the crop; or
- October 31.

## Reporting Acreage

- The insured must submit the official certification form or official license issued by the applicable governing authority authorizing the producer to produce hemp and copies of each processor contract on or before the acreage reporting date.
- The insured must also report the applicable location land identifier, including GPS coordinates AND the certification and license number issued by the applicable governing authority authorizing the insured to produce hemp.

## Insured Causes of Loss

- Adverse weather conditions, including natural perils such as drought and excess precipitation;
- Earthquake;
- Failure of the irrigation water supply, if caused by an insured peril during the insurance period;
- Fire;
- Insects and plant disease, except for insufficient or improper application of pest or disease control measures;
- Wildlife; or
- Volcanic Eruption

## In the Event of a Loss

- Provide to our loss adjuster a copy of your certification form or official license for the current crop year for the applicable insured county prior to the completion of any claim;
- Protect the crop from further damage by providing sufficient care;
- Notify your crop insurance agent within 72 hours of your initial discovery of damage, but not later than 15 days after the end of the insurance period;
- Leave representative samples for each field of the damaged unit; and
- If insured acreage of the insured type is damaged during the insurance period by an insured cause of loss, and the insured intends to harvest the acreage before the final THC level is determined by the applicable governing authority, the insured must provide notice so the company may inspect the damaged acreage and consent to harvest the acreage.
- Refer to Section 11 of the Hemp Crop Provisions regarding all loss requirements and further clarification of potential production to count, assessments of uninsured causes of loss, penalties for not obtaining consent and when consent must be provided.

## Not Covered

- Levels of tetrahydrocannabinol (THC) in excess of 0.3 percent on a dry weight basis, in accordance with the Agriculture Improvement Act of 2018 and applicable Federal regulations;
- Failure to follow requirements contained in the processor contract;
- Any harvested production infected by mold, yeast, fungus, or other microbial organisms after harvest; or
- Any damage or loss of production due to the inability to market the hemp for any reason other than actual physical damage to the hemp from an insurable cause of loss.
- Hemp will not qualify for replant payments or prevented planting payments under this policy.

## Rotation Requirements

- For Illinois, Indiana, Maine, Michigan, Minnesota, Montana, New York, North Dakota, Oregon, Pennsylvania, and Wisconsin: Insurance will not attach to any acreage on which Cannabis, canola, dry beans, dry peas, mustard, rapeseed, soybeans or sunflowers were grown the preceding crop year.
- For Alabama, California, Colorado, Kentucky, Kansas, North Carolina, New Mexico, Oklahoma, Tennessee, and Virginia: Insurance will not attach to any acreage on which Cannabis, canola, dry beans, mustard, rapeseed or sunflowers were grown the preceding crop year.

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