

*November 21, 2016 is the final sales closing date for crop insurance on Maine lowbush blueberries for the 2017 crop year.*

Growers can choose to insure their crop at a catastrophic level which protects 50% of their crop yield and pays at 55% of the price election if there is a loss, or at higher levels called “buy-up” which protects 50 to 75% of their approved production history and up to 100% of the price election.

The 2017 price elections are \$0.53 per lb. and \$0.85 per lb. for conventional and organic blueberries, respectively. Blueberry crop insurance is sold through private crop insurance agents (see link below). Gone are the days of post-hoc disaster payments from the government. Farmers must now decide whether or not to buy crop insurance to protect their crops from multi-peril losses.

### **A Perspective from the Field**

This year marked the 43rd blueberry harvest for Shannon and Steven Lion, owners and operators of Sunkhaze Wild Blueberry Farm. Located in Hancock County’s Township 32, the farm consists of 150 acres of lowbush blueberries and nearly 200 acres in a tree farm. The majority of their blueberry crop goes to processing, but they also sell to a winery and fresh pack on the farm.

#### **On Farm Risks**

“Weather would be the biggest risk but probably the second biggest risk that can be devastating would be the fluctuating prices of blueberries that we have absolutely no control over. We’ve had every type of risk disaster there is, except for hail. We’ve had spring frost. We’ve had frosts right on the 19th of August that took a third of our crop one year. We’ve had winter damage that was in excess of 90% of the crop. We’ve had drought disasters and we’ve had heat disasters.”

#### **Managing These Risks**

“There’s not a lot we can do about the weather problems. We did invest in some irrigation equipment back in the 90’s when things started to get really hot and dry but we’ve never really been able to justify an irrigation system that would seriously be able to irrigate the 75 acres we have each year. We try to keep ahead of weeds which is something else that can really impact the crop but that’s an ongoing struggle, and [around 1989] we started getting crop insurance.”

#### **On Crop Insurance**

“We started out with just the CAT coverage and had a pretty significant claim early-on. Then we had to buy-up, which was a requirement at the time. We’ve had 2 or 3 claims since then and have slowly bought up over the years. Our history is that every 8-10 years we have a significant crop failure for different reasons. At the present time we’re at the 65% level and our farm is one basic unit. We’ve been doing a little better financially with the farm, having bigger crops and getting a little



**Blueberry farmer Shannon Lion reviewing her Schedule F tax records.**

bit better price so we felt we could afford the premium to buy-up to a higher level that we're at now. It just gives us a little bit of peace of mind knowing that if we do get a weather related disaster we know we'll at least get back what we've put into the crop in terms of inputs."

### **Records for Enrolling in Crop Insurance**

"You've got to keep track of your production records. For us it was a little more difficult when we started up our fresh pack operation because I didn't have dock receipts. But I kept a record of how many field boxes I brought in, processed, and how many 5 and 10 pound boxes I got out of it so they [the crop insurance agent] accepted that as production records. If I hadn't been a Farmers Home borrower the paperwork for crop insurance would have been harder. If you aren't keeping those records [i.e. acreage reports] and things like that for other agencies you'd have to start figuring out how to do it. I report anything that's potentially a disaster in a timely manner. You don't pay the premium until after the crop is in, to have to pre-pay this premium would be a little bit harder than having to pay it in October."



**Sunkhaze Wild Blueberry Farm**

### **Thinking about crop insurance?**

"The few years it was a real disaster, the money we got certainly helped our bottom line and again I think we're setting ourselves up for the future because we've bought up to the 65% level. It really is a farm-to-farm decision, but the CAT coverage is reasonable enough [\$300] that it's not a burden to most people to see how it goes and decide to buy-up or not when you can afford a more significant premium. Keep good records."

### **To Locate a Crop Insurance Agent Serving Maine**

Agents serving Maine can be found using the RMA Agent Locator at [prodwebnlb.rma.usda.gov/apps/AgentLocator/#/](http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#/) or contact Crop Insurance Education Program Manager, Erin Roche ([erin.roche@maine.edu](mailto:erin.roche@maine.edu) or 207.949.2490)



*The University of Maine Cooperative Extension is in partnership with the USDA RMA to deliver crop insurance education in Maine. For more information, please visit the UMaine Risk Management and Crop Insurance website at <https://extension.umaine.edu/agriculture/maine-risk-management-and-crop-insurance-education-program/>*

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