

# Crop Insurance Improvements Authorized by the Farm Bill

Revised 11-24-14 for New England

1. **More Coverage Options** – Many are listed below.
2. **Improved Noninsured Crop Disaster Assistance Program (NAP) Protection** from Farm Service Agency (FSA) provides up to 65% level of coverage and 100% of projected price for most non-insurable crops.
3. **New Irrigated/Non-Irrigated Acreage Options** - Separate enterprise insurance units and different coverage levels are allowed.
4. **Improved Organic Protection**
  - a. Organic elections availability for more crops
  - b. Extended for organic price coverage for 2014, to eight additional crops (oats, peppermint, apricots, apples, blueberries, almonds, pears, and grapes for juice) to a total of sixteen (Producer has the option of using organic or conventional prices.)
  - c. Five percent premium surcharge is removed for organic price options.
5. **New Benefits for Being Beginning Farmers**
  - a. Additional 10 percentage points of premium subsidy for additional coverage policies (buy-up) that have premium subsidy
  - b. Exemption from paying the administrative fee for catastrophic (CAT) and additional coverage (buy-up) level policies
  - c. Use of the production history of farming operations, if beginning farmers were previously involved in the decision making or physical activities
  - d. An increase in the substituted yield for yield adjustment, which allows a replacement of a low yield due to an insured cause of loss, from 60% to 80% of the applicable transitional yield (T-Yield) for the crop in the county.
6. **New T-Yield Options** (effective beginning with 2015 crop year Spring Crops) - When a crop in a county suffers over a 50% yield loss, producers in that county and adjacent counties may omit their yield for that year's production. For this provision, the Federal Crop Insurance Corporation may make a separate determination for irrigated and non-irrigated acreage. Note: The current 60% yield plug is retained for replacing low APH yields (80% yield plug for new and beginning farmers).
7. **New Improved Whole-Farm Revenue Protection** (\$8.5 million maximum revenue)
  - a. Covers all farm commodities including animal and animal products revenue, including commodities purchased for resale (limit up to 50% of total expected revenue). (No protection for timber forest, forest products and animals for sport, show or pets.)
  - b. Coverage levels from 50% to 85% of expected revenue (Covers minimum market readiness costs.)
  - c. Covers natural causes of loss and declining market prices within the insurance year.
  - d. Premium subsidies vary from 55% to 80%.
  - e. Opportunity to also purchase Multiple Peril Crop Insurance (MPCI) buy-up policies for selected individual crops
8. **Conservation Compliance Certification:** By June 1, 2015, farmers must file form AD-1026 with the FSA to be eligible for premium subsidy on crop insurance policies in the 2016 reinsurance year (July 1, 2015 to June 30, 2016). Farmers and any affiliated persons must be in compliance with the Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) provisions.