



## Risk Management Agency

# Enterprise Units

**FACT SHEET**  
July 2023

### Enterprise Unit (EU)

An EU is an insurance unit structure that consists of all insurable acreage of the same insured crop in the county in which you have a share on the date coverage begins for the crop year. EUs are available for crops and counties where the actuarial documents specify availability.

### Election

EU must be elected, on or before the earliest sales closing date (SCD), on an Application or Policy Change Form and remains in effect from year-to-year.

### EU by Practice or Type

When the actuarial documents specify, you may elect separate EUs for your crop in a county by one of the following methods:

- Irrigation practice: irrigated and non-irrigated practices;
- Cropping practice: as allowed by the crop provisions; or
- Type: as allowed by the crop provisions.

If you elect separate EUs by one of the above available methods, you cannot further divide those EUs using another method.

### Qualifications

To qualify for an EU, you:

- Must have at least two sections, section equivalents, FSA farm numbers, or units established by written unit agreement or unit division option, whichever are the basis for optional units;
- May combine two or more of the parcels above, (for example, a portion of the acreage is located in an area where sections are the basis for optional units and another portion of the acreage is located in an area where FSA farm numbers are the basis for optional units);

- Each parcel must have planted acreage that constitutes at least the lesser of 20 acres or 20 percent of the insured crop acreage in the EU. Parcels can be aggregated to form at least two parcels to meet this requirement.
- May also have one section, section equivalent, or FSA farm number qualify for an EU, based on whichever type of parcel is the basis for optional units, where there are at least 660 planted acres of the insured crop in the parcel.

These requirements for EU must be met for each EU you elect. For example, if you elect separate EUs for irrigated and non-irrigated practices you must separately meet these requirements for each irrigation practice to qualify.

### Premium Discounts

Premium discounts are offered for EUs to recognize the lower risk associated given the geographic diversification. The larger the EU, the lesser the risk, and the greater the EU discount.

### Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private crop insurance agents. A list of crop insurance agents is available on the RMA website at [www.rma.usda.gov/Information-Tools/Agent-Locator](http://www.rma.usda.gov/Information-Tools/Agent-Locator).

