



# News Release

## USDA Improves Crop Insurance Coverage for Tobacco

**TOPEKA, Kan., Dec. 5, 2022** — U.S. Department of Agriculture's Risk Management Agency (RMA) announced today that beginning with the 2023 crop year, it is expanding contract provisions for price and quality for more types of insurable tobacco to its crop insurance coverage.

"After listening to our stakeholders, tobacco farmers and other partners, we know these changes will help improve the integrity of the program and make it more sustainable going forward," said Collin Olsen, Director for RMA's Regional Office in Topeka. "Crop insurance is a crucial component in a tobacco farmer's safety net. These changes help ensure the future of the program."

Changes include:

- Expanding the contract provisions regarding price and quality adjustments to burley, fire-cured, dark air, and Maryland types of tobacco.
- Modifying quality adjustments for the fire-cured, dark air and Maryland types to use actual price received (quality adjustment for the burley type will continue to be based on the Agricultural Marketing Service (AMS) grades).
- Quality adjustment will only be available for the amount of tobacco grown under contract for burley, dark air, fire cured, and Maryland types of tobacco.

In an effort to increase consistency and clarity concerning how insurable tobacco types are determined, RMA also added language to the tobacco special provisions that will direct producers to the AMS regulations for the official definitions of insurable types of tobacco.

The changes impact Indiana, Kentucky, Maryland, Missouri, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, and West Virginia. The impacted states covered by the Raleigh Regional Office are Maryland, North Carolina, Pennsylvania, Virginia, and West Virginia.

### More Information

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the [RMA Agent Locator](#). Learn more about crop insurance and the modern farm safety net at [rma.usda.gov](#).

USDA touches the lives of all Americans each day in so many positive ways. Under the Biden-Harris administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to safe, healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit [usda.gov](#).

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