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USDA Expands Revenue Protection to Oat and Rye Producers

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WASHINGTON, Nov. 30, 2022 – The country's oat and rye producers can now benefit from revenue protection, a crop insurance option available through the U.S. Department of Agriculture (USDA).

After hearing directly from producers, USDA's Risk Management Agency (RMA) has expanded Small Grains Crop Provisions to now offer revenue protection for spring oats for the 2023 crop year, and winter oats and rye for the 2024 crop year, which is already offered for barley and wheat.

"This enhanced coverage for oats and rye is a direct result of RMA listening to and prioritizing the requests and feedback we get from producers," said <u>RMA</u> <u>Administrator Marcia Bunger</u>. "We are always striving to offer risk management options and opportunities that are in the best interest of the producers and extending revenue protection to include our oat and rye farmers helps us come closer to that goal and offers more equality among our small grain producers."

Prior to this program change, RMA established prices for oats and rye up to 11 months prior to harvest. For the 2021 and 2022 crop years, oat prices increased about 30% during that time period, leaving oat producers with insurance coverage valued below the actual value of their crop. With this expanded revenue protection, the insurance coverage price would have risen to follow the higher oat prices, providing coverage that better reflects the value of the crop.

These change – to add oat and rye – took effect with a <u>Nov. 25 final rule</u> on the Federal Register.

Revenue protection policies insure producers against yield losses due to natural causes such as drought, excessive moisture, hail, wind, frost, insects, and disease and revenue losses caused by a change in the harvest price from the projected price.

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 <u>RMA Agent Locator</u>. Learn more about crop insurance and the modern farm safety net at <u>rma.usda.gov</u>.

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 <u>usda.gov</u>.

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