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# USDA Supports Climate-Smart Ag, Equity and Domestic Food Production through Crop Insurance

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**WASHINGTON, Feb. 6, 2023** – Under the Biden-Harris administration, the U.S. Department of Agriculture (USDA) has made great strides to better reach underserved agricultural producers and to support climate-smart agriculture through crop insurance. In the past two years, USDA's Risk Management Agency (RMA) has created new insurance options while improving others and invested in a comprehensive risk management education effort.

"At RMA, we listen to the needs of America's farmers and ranchers, and we've adapted, improved, and created resources that will help them manage their risks and provide better opportunities to protect their operations," said <a href="RMA">RMA</a> Administrator <a href="Marcia Bunger">Marcia Bunger</a>. "RMA is helping deliver on USDA's commitments to increasing equity in its program delivery while also supporting efforts to address climate change through climate-smart agriculture."

#### **Equity in Crop Insurance**

RMA took steps to ensure that underserved, specialty crop, organic, small-scale, and urban producers had access to crop insurance options and information during the past two years. This includes launching the new Micro Farm option in 2021 to better serve direct market and small-scale producers. Micro Farm provides a risk management safety net for all eligible commodities on a farm under one insurance policy, but on a smaller scale. In 2022, RMA listened to producers and expanded the

program's eligibility to reach more producers.

Meanwhile, RMA made several improvements to Whole-Farm Revenue Protection (WFRP), an important policy to specialty crop and organic producers, including:

- Increasing expansion limits for organic and aquaculture producers.
- Increasing insurable revenue up to \$17 million in revenue (formerly \$8.5 million).

As part of USDA's broader Organic Transition Initiative, RMA provided a premium benefit to organic and transitioning producers through the <u>Transitional and Organic Grower Assistance</u> (TOGA) Program. TOGA reduces producers' overall crop insurance premium bills and helps them continue to use organic agricultural systems.

In order to better engage with producers about these and other risk management tools, RMA has increased its support of risk management education and outreach. In 2021 and 2022, RMA invested about \$6.5 million in partnerships with 27 organizations to provide risk management education as well as to train and equip the next generation of crop insurance agents, adjusters, and outreach educators about crop insurance options.

RMA created a roadshow series to promote Micro Farm and WFRP insurance options. The roadshow series reached over 3,000 producers who attended the events either virtually or in-person since its creation in late fall 2022.

### **Climate-Smart Agriculture**

RMA has taken steps to support producers who are using climate-smart practices, including planting cover crops and split-applying nitrogen. RMA introduced the Pandemic Cover Crop Program (PCCP), which supports climate smart agricultural practices and helps farmers maintain their cover crop systems, despite the financial challenges posed by the pandemic. RMA provided more than \$110 million in premium support for producers who planted cover crops on over 22 million net acres through PCCP during the 2021 and 2022 seasons. RMA also updated policy in 2021 to allow producers with crop insurance to hay, graze or chop cover crops at any time and still receive 100% of the prevented planting payment.

In 2022, <u>RMA introduced its Post Application Coverage Endorsement</u> (PACE) in certain states for non-irrigated corn, providing coverage for producers who use this practice that saves them money and is considered better for natural resources, and expanded the program in September.

#### **Supporting Domestic Production**

To increase domestic food production amid potential global food shortages and supply chain disruptions, <u>RMA expanded double crop insurance opportunities</u> in nearly 1,500 counties where double cropping is viable.

#### Improvements to Crop Insurance

RMA continues to work with producers and agricultural groups to improve crop insurance. Some examples include:

- RMA updated three key crop insurance options for livestock producers to reach more producers, offer greater flexibility for protecting their operations, and ultimately, better meet the needs of the country's swine, dairy and cattle producers.
- RMA created greater flexibilities for crop insurance reporting, making it easier for specialty crop producers and others who sell through direct marketing channels to obtain insurance, report their annual production and file a claim.
- RMA has expanded Small Grains Crop Provisions to offer revenue protection for oats and rye for crop year 2023—a direct result of RMA listening to and prioritizing the requests and feedback from producers.

#### **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> or by contacting your <u>RMA Regional Office</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 usda.gov.

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# **Risk Management Agency:**

1400 Independence Ave. SW Washington, DC 20250

## **Contact:**

FPAC Press Desk FPAC.BC.Press@usda.gov