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USDA Announces Modifications to the Annual Forage and Rainfall Index Program

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WASHINGTON, May 1, 2023 – The U.S. Department of Agriculture (USDA) is modifying the Annual Forage Insurance Program to make it more sustainable and to allow producers more flexibility. This includes allowing producers to choose the areas which they insure, rather than being required to insure all eligible acres. The changes will take effect for the 2024 crop year.

"Our goal is to make sure that the policies we offer are sustainable and meet the needs of producers" said Marcia Bunger, Administrator for USDA's Risk Management Agency (RMA). "RMA's modifications will ensure the program is available in the future and at the same time new flexibilities will allow the policy to be more tailored to the producers own operation."

The Annual Forage insurance program is a rainfall index area-based plan that provides coverage to acreage planted each year and used as feed and fodder by livestock. The rainfall index does not directly measure an individual producer's annual forage production or loss. Rather, it measures the normal precipitation deviation that occurs in and around the insured area, which is correlated with forage production. The Annual Forage insurance program include all counties in Colorado, Kansas, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota and Texas.

The modifications to the Annual Forage pilot program include:

- Allowing producers to insure the acres they choose no longer requiring all eligible acres to be insured.
- Modifying the program design from four growing seasons to 12 growing seasons.
- Moving the Acreage Reporting Date to the fifth day of the month after the month of planting, which creates 12 acreage reporting dates.
- Adding planting dates to designate the planting month and corresponding acreage reporting date.
- Allowing producers in Kansas and Nebraska to have coverage in growing season 10 through 12 and a corresponding growing season at the start of the next crop year, which is consistent with other states where the insurance is offered.
- Updating the Rainfall Index Basic Provisions to incorporate existing guidance on the record requirements in double cropping situations when one of the crops follow a different plan of insurance.

The Annual Forage Insurance Program began in 2014. Producers have enrolled for coverage on more than 6.2 million acres.

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 <u>usda.gov</u>.

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