

MGR-19-010

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Date

April 26, 2019

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Martin R. Barbre, Administrator

Subject

Veteran Farmer or Rancher (VFR) Benefits for the 2019 Crop Year

Background

Section 12306(b) of the Agriculture Improvement Act of 2018 added the definition of Veteran Farmers and Ranchers to Section 502(b) of the Federal Crop Insurance Act (7 U.S.C. 1502(b)) (as amended by section 11101) and amended Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) to add “or Veteran Farmer or Rancher” after “Beginning Farmer or Rancher,” giving Veteran Farmers or Ranchers (VFR) the same benefits as Beginning Farmers or Ranchers (BFR). Those benefits are:

- Waiver of all Catastrophic Risk Protection (CAT) and additional coverage policy’s administrative fees;
- Additional premium subsidy that is 10 percentage points greater than the premium subsidy identified in the actuarial documents;
- Use of another person’s production history for the specific acreage transferred to the [BFR/VFR] where the [BFR/VFR] was previously involved in the decision making or physical activities of a farm or ranch operation; and
- An increase, from 60 to 80 percent of the applicable transitional yield, for Yield Adjustment when replacing a low actual yield due to an insured cause of loss.

Veterans must apply for VFR status on or before June 1, 2019, or the crop county acreage reporting date, whichever is later, and be determined eligible for VFR benefits to apply.

Action

To ensure that veterans can obtain intended crop insurance benefits as soon as possible, VFR benefits will be available for the 2019 crop year for crop policies with sales closing dates of December 20, 2018, or later. VFR benefits will be available for all other policies beginning with the 2020 crop year. The attached procedures are for Approved Insurance Providers to use in administering the benefits for VFRs.

Interested producers should contact a crop insurance agent for more information. A list of agents can be found on the RMA website at www.rma.usda.gov/.

ATTACHMENT: [Veteran Farmer or Rancher \(VFR\) Benefits for the 2019 Crop Year](#)

DISPOSAL DATE:

December 31, 2019