

## **PM-21-069**

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Date

November 29, 2021

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ John W. Underwood for

Subject

Micro Farm Policy Effective for the 2022 and Succeeding Crop Years

## **Background**

The Risk Management Agency (RMA) is issuing a new Micro Farm policy intended to provide additional insurance options for small-scale producers. The Micro Farm policy was designed based on research required under the 2018 Farm Bill. And, the policy development process included obtaining feedback from small-scale producers that have grown products for their local communities.

The Micro Farm policy is offered through Whole-Farm Revenue Protection (WFRP) and is enhanced to better meet the needs of small-scale farms. This includes:

- **Eligibility:** Micro Farm is available to producers who have a farm operation that earns an average allowable revenue of \$100,000 or less, or for carryover insureds, an average allowable revenue of \$125,000 or less.
- **Coverage Levels:** All coverage levels will be available to producers using Micro Farm. This will enable producers to purchase the 80% and 85% coverage levels without providing additional paperwork.
- **Underwriting and Recordkeeping Requirements:** Micro Farm minimizes underwriting and recordkeeping requirements, and producers will not have to

report expenses and individual commodities.

- Post-production Revenue: Producers can include post-production costs activities as revenue, such as washing and packaging commodities or value-added products like jam.

Micro Farm is available for the 2022 crop year. Sales closing dates are January 31, February 28, or March 15 depending on the producer's county.

## **Action**

The Micro Farm provisions (22-MF-WFRP) will be available by close of business today on the RMA website at [www.rma.usda.gov](http://www.rma.usda.gov).

Interested producers should contact a crop insurance agent for further information. A list of agents can be found on the RMA website at [www.rma.usda.gov/tools-reports/agent-locator](http://www.rma.usda.gov/tools-reports/agent-locator).

### **DISPOSAL DATE:**

December 31, 2021