

[Back to News Releases](#)

[USDA Risk Management Agency Announces Livestock Insurance Program Enhancements](#)

News Release |
Washington DC

|

May 18, 2026

[View PDF](#)

(Washington, D.C., May 18, 2026) - The U.S. Department of Agriculture's (USDA) [Risk Management Agency](#) (RMA) announced a series of updates to improve insurance coverage through the Livestock Risk Protection (LRP), Livestock Gross Margin (LGM), and Dairy Revenue Protection (DRP) insurance programs beginning with the 2027 crop year. These updates were approved by the Federal Crop Insurance Corporation Board of Directors.

Uniform changes across LRP, LGM and DRP include:

- Adding subsidy capture language to address off-exchange contracts.
- Updating the definition of beginning farmer or rancher and subsidy percentages to align with the One Big Beautiful Bill Act.
- Permitting concurrent coverage between similar livestock programs.
- Enabling policies that have not earned premium for three consecutive years to be subject to cancellation.
- Revising transfer of coverage language to clarify when coverage can be transferred.
- Updating general policy language for consistency with other RMA insurance policies.

“These updates expand coverage options, update eligibility definitions and strengthen program consistency across RMA’s livestock portfolio,” said RMA

Administrator Pat Swanson. “These enhancements are another way we are putting Farmers First. We want to ensure that livestock and dairy operations across the country have the best tools available to manage risk.”

Livestock Risk Protection

LRP provides protection for livestock producers looking to insure against declining market prices. This program offers coverage levels ranging from 75% to 100% of the expected ending values (expected price at the end of the insurance period).

The changes to LRP include:

- Expanding guidelines for the forage disaster exemption to address extended drought and other natural disasters and include specific grazing dates during which the exemption may apply.
- Increasing the maximum weight threshold for Fed Cattle types.
- Extending Cull Cow coverage to a maximum of 52 weeks.
- Adding three new feeder cattle types, Unborn Bulls and Heifers Weight 2, Unborn Brahman Weight 2, and Unborn Dairy Weight 2, with a weight range of 6.0 to 9.0 hundredweight (cwt), broadening coverage options for producers with unborn livestock.

Livestock Gross Margin

LGM provides protection to cattle, dairy, and swine producers against unexpected decreases in gross margin (market value of livestock or milk minus input costs). The program calculates the expected gross margin for a period using futures market prices and pays an indemnity to the extent that the actual gross margin is less than the expected gross margin.

The changes to LGM include:

- Increasing the maximum insurable weight for the LGM Cattle to 1,800 lbs.
- Revising the definition of “target feeder cattle weight” to increase the maximum allowed target weight from 9 to 12 cwt for yearling finishing operations and stipulated that the difference between target live cattle weight and target feeder cattle weight must not exceed 6 cwt for yearling finishing operations and 10 cwt for calf finishing operations.

- Modified the definition of “share” for LGM Cattle to require that the producer own the calves for a minimum of five months for yearling finishing or eight months for calf finishing.
- Revising the definition of “target live cattle weight” to increase maximum allowed target weight from 15 to 18 cwt for yearling finishing operations and 13 to 16 cwt for calf finishing operations.

Dairy Revenue Protection

For dairy producers, DRP provides protection against a decline in revenue (yield and/or price) on the milk produced from dairy cows on a quarterly basis. The expected revenue is based on futures prices for milk and dairy commodities, and the amount of covered milk production elected by the dairy producer.

The change to DRP:

- Moving the sales period end date to the following calendar day, making DRP consistent with the sales period structure used in other livestock insurance programs.

More Information

LRP, LGM and DRP are available to livestock producers in all states and counties.

RMA secures the future of agriculture by providing world class risk management tools to rural America through Federal crop insurance and risk management education programs. RMA provides policies for more than 130 crops and is constantly working to adjust and create new policies based on producer needs and feedback.

[Contact a crop insurance agent](#) to see how Federal crop insurance can meet the specific needs of your operation. Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available online at the [RMA Agent Locator](#). Producers can learn more about crop insurance and the modern farm safety net at rma.usda.gov or by contacting their [RMA Regional Office](#). RMA’s [Basics for Beginners](#) provides information for those new to crop insurance.

###

[Back to News Releases](#)

Risk Management Agency:

1400 Independence Ave. SW Washington, DC 20250

Contact:

FPAC Press Desk

FPAC.BC.Press@usda.gov