Organic Farming Practices

Crop Insurance for Organic Farming Practices

Organic farming has become one of the fastest growing segments of U.S. agriculture. USDA’s Risk Management Agency (RMA) recognizes organic farming practices as good farming practices and continues to improve crop insurance by making more viable and effective risk management coverage options available for organic producers and producers transitioning to organic. Regulations governing the insurability of organic and transitional practices are similar to conventional practices.

Coverage Availability

RMA provides coverage for the following:
- Certified organic acreage; and
- Transitional acreage being converted to certified organic acreage in accordance with an organic plan.

Insurance can only be provided for any crop grown using organic farming practices when a premium rate for an organic practice is specified in the actuarial documents or through an approved written agreement.

Causes of Loss

All production loss or insurance amount loss due to an insured cause of loss listed in the crop provisions apply to the organic and transitional practices, unless otherwise specified in the Special Provisions. The following losses are not covered:
- Failure to follow good organic farming practices;
- Failure to comply with the USDA organic standards; or
- Crop contamination by drift of prohibited substances.

Acreage Reporting Requirements

You must file a report of planted acreage with your crop insurance agent and have the following available by the Acreage Reporting Date:

For Certified Organic Acreage:
A written certification in effect from a certifying agent indicating the name of the entity certified, effective date of certification, certificate number, types of commodities certified, and name and address of the certifying agent.

For Transitional Acreage:
An organic plan is required or written documentation from a certifying agent that indicates an organic plan is in effect. The organic plan must:
- Identify the acreage that is in transition for organic certification;
- List crops grown on the acreage during the 36-month transitioning period; and
- Include all other acreage (conventional acreage in the farming operation).

If you do not have an organic certificate by the Acreage Reporting Date for the current year, the acreage does not qualify for the certified organic practice, or for certified organic prices, and will be insured under the transitional practice.

Insurance Guarantees, Coverage Levels, and Prices

Insurance Plans, Coverage levels, Types, Price Elections, T-Yields, Dates, and Rates can be found in the actuarial documents on the Actuarial Information Browser. Crops grown in the buffer zone are insured using the applicable price elections, projected prices, harvest prices, insurance plan, and coverage level shown in the actuarial documents for the acreage it buffers.

Organic Price Elections

Most crops insured by RMA have premium organic price elections. A list of those crops can be found at the Organic Premium Price Elections Available by Commodity webpage. Premium organic price elections may only be available in certain locations and for certain types. For crops without the premium organic price election, the price elections, coverage levels, projected prices, and harvest prices for both certified organic and transitional organic crops will be those published for non-organic practices for the current crop year.

Price Discovery Tool

To see estimated prices based on current market information for revenue policies, see the Price Discovery Reporting Application.
Contract Price Addendum

The Contract Price Addendum allows a producer to use their contract price instead of the price election established by RMA, up to a Maximum Contract Price. This allows organic and transitional producers with a contract to buy a crop insurance guarantee which is more reflective of the actual value of their crop. A copy of your contract must be submitted to your agent by the Acreage Reporting Date.

For a listing of crops, see the Contract Price Addendum - Eligibility by Commodity.

For more information, see the Contract Price Addendum Fact Sheet.

Whole-Farm Revenue Protection Pilot Program

The Whole-Farm Revenue Protection pilot program provides a risk management safety net for all commodities on the farm under one insurance policy. This insurance plan is tailored for any farm with up to $8.5 million in insured revenue, including farms with specialty or organic commodities (both crops and livestock), or those marketing to local, regional, farm-identity preserved, specialty, or direct markets. This product also allows certified organic producers to use organic prices. For more information see the Whole-Farm Revenue Pilot Program Fact Sheet.

Important Dates

You must work with a crop insurance agent to get your application in by the Sales Closing Date. Your acreage report and other requirements for insuring organics (such as having an organic plan in effect) are due by the Acreage Reporting Date. These dates vary by crop, state and county. RMA’s Actuarial Information Browser provides applicable program dates by crop year.

For More Information

You can find crop insurance policies, crop provisions, and handbooks on the Organic Crops RMA webpage.

Contact a Crop Insurance Agent

All multi-peril crop insurance policies are available from private crop insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA Agent Locator webpage.

Useful Links

USDA/Risk Management Agency Homepage
www.rma.usda.gov/

Actuarial Information Browser
webapp.rma.usda.gov/apps/ActuarialInformationBrowser/

RMA Map Viewer
prodwebnlb.rma.usda.gov/apps/mapviewer/index.html

Price Discovery
prodwebnlb.rma.usda.gov/apps/PriceDiscovery/

Regional Office State Directory
www.rma.usda.gov/en/RMALocal/Field-Offices/Regional-Offices
This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

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