United States Department of Agriculture

# News Release

# USDA to Launch New Farm Bill Program to Help Provide Relief to Farmers Affected by Severe Weather

## 2014 Farm Bill's APH Yield Exclusion to be Implemented for 2015 Spring Crops

WASHINGTON, Oct. 21, 2014 – Agriculture Secretary Tom Vilsack today announced the implementation of a new Farm Bill initiative that will provide relief to farmers affected by severe weather, including drought. The Actual Production History (APH) Yield Exclusion, available nationwide for farmers of select crops starting next spring, allows eligible producers who have been hit with severe weather to receive a higher approved yield on their insurance policies through the federal crop insurance program.

Spring crops eligible for APH Yield Exclusion include corn, soybeans, wheat, cotton, grain sorghum, rice, barley, canola, sunflowers, peanuts, and popcorn. Nearly three-fourths of all acres and liability in the federal crop insurance program will be covered under APH Yield Exclusion.

The U.S. Department of Agriculture's (USDA) Risk Management Agency and Farm Service Agency staff worked hard to implement several 2014 Farm Bill programs ahead of schedule, such as the Agricultural Risk Coverage, the Price Loss Coverage, Supplemental Coverage Option and Stacked Income Protection Plan. USDA is now able to leverage data from the Agricultural Risk Coverage and Price Loss Coverage to extract the information needed to implement APH Yield Exclusion earlier than expected.

"Key programs launched or extended as part of the 2014 Farm Bill are essential to USDA's commitment to help rural communities grow. These efforts give farmers, ranchers and their families better security as they work to ensure Americans have safe and affordable food," said Vilsack. "By getting other 2014 Farm Bill programs implemented efficiently, we are now able to offer yield exclusion for Spring 2015 crops, providing relief to farmers impacted by severe weather."

The APH Yield Exclusion allows farmers to exclude yields in exceptionally bad years (such as a year in which a natural disaster or other extreme weather occurs) from their production history when calculating yields used to establish their crop insurance coverage. The level of insurance coverage available to a farmer is based on the farmer's average recent yields. In the past, a year of particularly low yields that occurred due to severe weather beyond the farmer's control would reduce the level of insurance coverage available to the farmer in future years. By excluding unusually bad years, farmers will not have to worry that a natural disaster will reduce their insurance coverage for years to come.

Under the new Farm Bill program, yields can be excluded from farm actual production history when the county average yield for that crop year is at least 50 percent below the 10 previous consecutive crop years' average yield.

RMA will provide additional program details in December 2014.

Federal crop insurance, which is sold through private crop insurance agents, offers a variety of options that may impact coverage and premium costs. Producers are encouraged to work with their crop insurance agent to determine the coverage that best meets their risk management needs. Farmers can find a crop insurance agent in their area at: agent locator.

Today's announcement was made possible by the 2014 Farm Bill. The 2014 Farm Bill builds on historic economic gains in rural America over the past five years, while achieving meaningful reform and billions of dollars in savings for taxpayers. Since enactment, USDA has made significant progress to implement each provision of this critical legislation, including providing disaster relief to farmers and ranchers; strengthening risk management tools; expanding access to rural credit; funding critical research; establishing innovative public-private conservation partnerships; developing new markets for rural-made products; and investing in infrastructure, housing and community facilities to help improve quality of life in rural America. For more information, visit www.usda.gov/farmbill.

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