



# News Release

## USDA Improves Crop Insurance Policies with New Options

**WASHINGTON, July 6, 2020** — The U.S. Department of Agriculture (USDA) today announced changes to several crop insurance policies improving options for producers, including introducing a new Quality Loss Option, a new unit structure assignment option for Enterprise Units (EU) and new procedures for Multi-County Enterprise Units (MCEU).

"In addition to making the changes required by the Farm Bill, we are making updates to provide producers more flexibility and options. We continually listen to producers and other stakeholders, and we adjust these policies when necessary," said Martin Barbre, Administrator of USDA's Risk Management Agency (RMA). "With these changes, producers will have more coverage choices."

Specifically:

- The new Quality Loss Option is in response to the 2018 Farm Bill that required the Federal Crop Insurance Corporation (FCIC) to research and develop methods of adjusting for quality losses. The new Quality Loss Option allows producers to replace post-quality production amounts in their Actual Production History (APH) databases with pre-quality production amounts, thereby increasing their actual yields for individual crop years.
- For EUs and MCEUs, a new unit structure assignment option was added. Now, if the producer doesn't qualify for separate EUs on both practices (EUs for both irrigated and non-irrigated practices, or EUs for both Following Another Crop (FAC) and Not Following Another Crop (NFAC) cropping practices, as authorized), an EU may apply to one practice meeting EU requirements and basic/optional units on the other practice.

The changes regarding the Quality Loss Option and EUs are further described in a final rule, now available on the *Federal Register* at [regulations.gov](https://www.regulations.gov). Interested parties may comment on the rule for 60 days; the deadline for submitting comments is August 28. The final rule also outlines additional changes to premium offsets, Administrator reinstatement, notice of loss, double cropping requirements, prevented planting and units.

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available online using the [RMA Agent Locator](https://www.rma.usda.gov). Learn more about crop insurance and the modern farm safety net at [rma.usda.gov](https://rma.usda.gov).

#

*USDA is an equal opportunity provider, employer and lender.*