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USDA Improves Crop Insurance Policies for Sugar Beet Producers

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WASHINGTON, D.C., November 29, 2019 — The U.S. Department of Agriculture (USDA) today announced changes to crop insurance for sugar beets in 2020. USDA's Risk Management Agency (RMA) made changes to the policy, which take effect in 2020 for some policies and 2021 for others. These changes better protect sugar beet producers who may experience a bumper crop in future years as well as provide other flexibilities.

"We continually listen to producers and other stakeholders in developing our crop insurance policies, and we make adjustments to these policies when necessary," said RMA Administrator Martin Barbre. "With these changes, USDA is able to better support sugar beet producers and ensure the early harvest adjustment more accurately matches their current year production."

Key changes include:

- Revising the maximum early harvest adjustment to better reflect a unit's production capabilities, especially in cases of a sugar beet bumper crop. The rule limits the adjustment to a yield no greater than the producer's approved Actual Production History (APH) yield or actual yield after full maturity. Previously, the adjustment was limited to the unit's approved APH yield, and producers voiced concern that it may penalize them by failing to recognize the upward trend in sugar beet yields.

- Adding procedures to allow third-party testing of sugar beets for raw sugar content, in addition to processors. This gives producers greater flexibility in obtaining raw sugar content tests.
- Adding procedure to determine whether damaged sugar beet production has or does not have salvage value.
- Changing the deadline for producers to provide a copy of the production agreement to the acreage reporting date (instead of the time of loss). This facilitates a faster determination by the insurance provider of proper acreage and liability coverage.
- Removing the requirement to include a price, or formula for a price, in the production agreement based on third-party data. This better reflects that there is no third-party data source for prices and not all production agreements include a price.

Changes are further described in a final rule, now available on the *Federal Register* at regulations.gov. Interested parties are invited to comment on the rule for 60 days.

These changes take effect for crop year 2020 with policies that have a contract change date of November 30, 2019. They take effect in all other counties beginning in crop year 2021. Crop years reflect the normal growing season and are identified by the year of harvest.

More than 1 million acres of sugar beets worth a total of over $980 million in liabilities are covered by crop insurance in California, Colorado, Idaho, Michigan, Minnesota, Montana, Nebraska, North Dakota, Oregon, South Dakota, Washington, and Wyoming.

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the RMA Agent Locator. Learn more about crop insurance and the modern farm safety net at rma.usda.gov.

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