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USDA Expands Crop Insurance Options for Producers of Vegetables, Other Crops

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Additional SCO, APH Yield Exclusion Beginning with 2016 Crop Year

WASHINGTON, Oct. 20, 2015 – The U.S. Department of Agriculture's Risk Management Agency (RMA) today announced an additional expansion of crop insurance increasing the safety net for vegetable and other commodity producers in select counties beginning with the 2016 crop year.

Supplemental Coverage Option (SCO) and Actual Production History (APH) Yield Exclusion expansion, which RMA previously announced in July, will include more than 25 additional commodities.

"Expanding these farm safety-net programs will help ensure those most at risk have policies available that work for them," said Brandon Willis, RMA administrator.

SCO will now be available for buckwheat, sweet corn, extra-long staple cotton, cucumbers, processing beans, dry beans, flax, silage sorghum, green peas, various hybrid seeds, millet, mustard, peanuts, popcorn, pumpkins, sesame, sunflowers, and sugar beets for the 2016 crop year in select counties. These are in addition to seven crops that were offered in the 2015 crop year and the 26 others announced earlier this year for 2016. Corn, cotton, grain sorghum, soybeans, and rice, which were already available for 2015, have been expanded to additional counties.

SCO is an area-based policy endorsement that can be purchased to supplement an underlying crop insurance policy. It covers a portion of losses not covered by the underlying policy. RMA, which administers the federal crop insurance program, has posted information on the expanded program, including where SCO is available by crop and county.

Producers of buckwheat, cabbage, extra-long staple cotton, processing beans, dry beans, flax, green peas, millet, mustard, pumpkins, silage sorghum, sugar beets, sweet corn, in select counties will have the option to elect the APH Yield Exclusion for the 2016 crop year. These are in addition to 11 crops that were offered beginning in the 2015 crop year and the 21 crops announced earlier this year for 2016.

The APH Yield Exclusion allows farmers, with qualifying crops in eligible counties, to exclude low 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. Crop years are eligible when the average per planted acreage yield for the county was at least 50 percent below the simple average for the previous 10 consecutive crop years. It will allow eligible producers to receive a higher approved yield on their insurance policies through the federal crop insurance program.

Producers also have access to new online tools designed to help them determine the options that work best for their operations. The Crop Insurance Decision Tool and the SCO/APH Yield Exclusion mapping tool, available online, provide farmers with information on APH Yield Exclusion and SCO eligible crops, crop years, and counties where they may elect the programs. These user-friendly resources can help producers quickly explore and understand available coverage options. While the Crop Insurance Decision Tool is not customized for all crops, it can demonstrate the general mechanics of SCO coverage using default values. Producers should consult their crop insurance agent for detailed information, sales closing dates and an actual premium quote. A list of crop insurance agents is available at all USDA Service Centers and online at the RMA agent locator at Agent Locator. Growers can use the agency's cost estimator to get a premium amount estimate of their insurance needs online. Visit Actual Production History Yield Exclusion to learn more about SCO and APH Yield Exclusion. APH Yield Exclusion and SCO are made possible by the 2014

Farm Bill, which builds on historic economic gains in rural America during the past six 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 USDA.gov

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