

PM-21-069

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Date

November 29, 2021

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator /s/ John W. Underwood for

Subject

Micro Farm Policy Effective for the 2022 and Succeeding Crop Years

Background

The Risk Management Agency (RMA) is issuing a new Micro Farm policy intended to provide additional insurance options for small-scale producers. The Micro Farm policy was designed based on research required under the 2018 Farm Bill. And, the policy development process included obtaining feedback from small-scale producers that have grown products for their local communities.

The Micro Farm policy is offered through Whole-Farm Revenue Protection (WFRP) and is enhanced to better meet the needs of small-scale farms. This includes:

- **Eligibility:** Micro Farm is available to producers who have a farm operation that earns an average allowable revenue of \$100,000 or less, or for carryover insureds, an average allowable revenue of \$125,000 or less.
- **Coverage Levels:** All coverage levels will be available to producers using Micro Farm. This will enable producers to purchase the 80% and 85% coverage levels without providing additional paperwork.
- **Underwriting and Recordkeeping Requirements:** Micro Farm minimizes underwriting and recordkeeping requirements, and producers will not have to

report expenses and individual commodities.

- Post-production Revenue: Producers can include post-production costs activities as revenue, such as washing and packaging commodities or value-added products like jam.

Micro Farm is available for the 2022 crop year. Sales closing dates are January 31, February 28, or March 15 depending on the producer's county.

Action

The Micro Farm provisions (22-MF-WFRP) will be available by close of business today on the RMA website at www.rma.usda.gov.

Interested producers should contact a crop insurance agent for further information. A list of agents can be found on the RMA website at www.rma.usda.gov/tools-reports/agent-locator.

DISPOSAL DATE:

December 31, 2021