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USDA Delivers on President Trump's Promise to Put American Farmers First with Enhanced Crop Insurance Benefits Following Passage of One Big Beautiful Bill Act

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WASHINGTON, Aug. 20, 2025 – The U.S. Department of Agriculture's Risk Management Agency (RMA) announced the rapid implementation of significant enhancements to federal crop insurance programs following the enactment of the One Big Beautiful Bill Act (OBBBA) on July 4, 2025. In record time, RMA has delivered these transformative changes, demonstrating the Trump Administration's unwavering commitment to putting American farmers first by expanding benefits for beginning farmers and ranchers, increasing coverage options, and making crop insurance more affordable and accessible across multiple insurance programs.

Putting American Farmers First with Enhanced Support for Beginning Farmers and Ranchers

Under the new legislation, beginning farmers and ranchers will receive substantially increased premium support during their first decade of farming operations, making crop insurance more affordable for the next generation of American agricultural producers. The enhanced benefits mean beginning farmers and ranchers will now receive:

- 15 percentage points additional subsidy for the first two crop years
- 13 percentage points for the third crop year
- 11 percentage points for the fourth crop year

- 10 percentage points for years five through ten

These benefits build upon existing support that waives administrative fees and provides base premium subsidies. A beginning farmer or rancher is now defined as an individual who has not actively operated and managed a farm or ranch for more than 10 crop years.

“These enhanced benefits recognize the critical importance of supporting the next generation of American agricultural producers,” said RMA Administrator Pat Swanson. “By reducing financial barriers during the crucial early years of farming, we’re helping ensure the long-term sustainability of American agriculture.”

Making Crop Insurance More Accessible with Expanded Coverage Options

The legislation delivers on the promise to make crop insurance more accessible and affordable through important improvements to area-based crop insurance programs:

- Whole Farm Revenue Protection (WFRP) maximum coverage level increase from 85% to 90%, providing producers with enhanced protection for diversified operations.
- Supplemental Coverage Option (SCO) premium support increase from 65% to 80%, making this valuable gap coverage more affordable. Additionally, producers can now purchase SCO regardless of their Area Risk Coverage (ARC) elections with the Farm Service Agency, dramatically increasing accessibility.
- Enhanced Coverage Option (ECO) and similar programs including Margin Coverage Option (MCO), Hurricane Insurance Protection Wind Index (HIP-WI), and Fire Insurance Protection Smoke Index (FIP-SI) will also receive the increased 80% in premium support, making comprehensive coverage more affordable than ever.
- SCO coverage will also expand to a coverage level of 90% (from 86%). Producers will have access to this option in 2026 via the ECO product, which has identical coverage at the same cost and premium support levels. USDA will then change the SCO policy for the 2027 crop year.

Historic Improvements to Premium Affordability

The legislation delivers unprecedented improvements to premium support rates across coverage levels and unit structures, with particular emphasis on supporting

enterprise and whole farm units. The new subsidy structure maintains strong support for higher coverage levels while ensuring maximum affordability across the risk management spectrum, putting more money back in the pockets of American farmers.

Record-Speed Implementation Timeline

Demonstrating the Trump Administration's commitment to swift action for American farmers, these changes will be effective for all crops with sales closing dates on or after July 1, 2025.

"RMA is committed to implementing these changes before upcoming sales closing dates so that producers can make fully informed decisions about their risk management strategies," noted Administrator Swanson. "We've moved quickly to put American farmers first, ensuring they have the protection they need when unavoidable natural disasters occur. We encourage all producers to work with their crop insurance agent to understand how these historic changes will benefit their operations."

Additional Information

RMA will provide additional guidance on other provisions within the One Big Beautiful Bill Act as implementation details are finalized. Producers should contact their local crop insurance agent or visit the RMA website for more information about how these changes may affect their coverage options.

RMA secures the future of agriculture by providing world class risk management tools to rural America through Federal crop insurance and risk management education programs. RMA provides policies for more than 130 crops and is constantly working to adjust and create new policies based on producer needs and feedback.

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