



## Crop Insurance for Organic Producers

February  
2018

The organic sector of agriculture continues to grow, and certified organic products often return higher profits for farmers. USDA recognizes organic farming methods and procedures as good farming practices and has improved crop insurance coverage for organic producers and those transitioning to organic.

### **Provision for transitioning to organic**

It can take producers three years to transition from conventional to certified organic production. A USDA expansion in crop insurance coverage enables organic producers to insure transitional crops to their organic contract price (within approved limits), which better reflects their product's actual value, instead of having to insure their crops at the same prices as conventional producers.

The **Contract Price Addendum (CPA)** allows you, as a certified organic or transitioning producer, who has a written contract from a buyer by the acreage reporting date, the ability to insure your crop at the contract price. You can buy a Federal crop insurance guarantee that is more reflective of the actual value of your certified organic crop, or crop which is transitioning to organic. You will have the ability, where available and at your choice, to use either the contract price or the published RMA price as the crop insurance projected price or price election. A Contract Price Addendum fact sheet is available online at <http://go.usa.gov/cyFGR>.

RMA has also expanded organic premium price elections to include more crops, providing organic producers the option to protect more of their 2018 crops closer to the market values. A list of commodities eligible for the Contract Price addendum is available online at [www.rma.usda.gov/news/currentissues/organics/cpa\\_eligibility.html](http://www.rma.usda.gov/news/currentissues/organics/cpa_eligibility.html).

### **Multi Peril Crop Insurance (MPCI) and Whole Farm Revenue Protection (WFRP)**

Multi Peril Crop Insurance provides yield protection for individual commodities. Many crops that are not eligible for MPCI coverage can be covered by the Whole Farm Revenue Protection program (WFRP). WFRP provides a risk management safety net for all commodities on the farm under one insurance policy. Farms can get WFRP with only one commodity or with multiple commodities. This insurance plan is tailored for any farm with up to \$8.5 million in insured revenue, including farms with specialty or organic commodities (both crops and livestock), or those marketing to local, regional, farm-identity preserved, specialty, or direct markets, wholesale or retail. Like MPCI, this program also allows certified organic producers to use organic prices.

## Closing date

The sales closing date is the last day to buy a new policy or for current policyholders to make any changes to their existing contracts. For most spring-planted crops, annual crops and WFRP, the closing date in Vermont is March 15, 2018. Producers can find sales closing dates and additional information about insurance coverage by visiting the RMA web site or by contacting an insurance agent federally licensed to sell crop insurance in Vermont. Crop insurance is sold and delivered solely through these private crop insurance agents. A list of crop insurance agents is available online at [www.rma.usda.gov/tools/agent.html](http://www.rma.usda.gov/tools/agent.html).

## Conservation Compliance

In order to receive USDA subsidies for crop insurance, producers must be in compliance with conservation measures. Producers must report by June 1 to verify conservation compliance.

## Additional benefits available

Beginning farmers, those who are traditionally underserved or those who are economically disadvantaged may also receive additional insurance program benefits.

## Organic website

More information on organic production can be found on the USDA organic crops website. Visit [www.usda.gov/organic](http://www.usda.gov/organic) to learn more about USDA's resources for organic agriculture.

## Noninsured Crop Disaster Assistance Program (NAP)

This is a disaster assistance program, administered by the Farm Service Agency. NAP is designed to protect against yield losses on crops for which there is no crop insurance coverage available. Contact your local FSA office for more information about NAP.



For help finding resources in Vermont, contact Jake Jacobs, UVM Crop Insurance Education Coordinator:

email: [jake.jacobs@uvm.edu](mailto:jake.jacobs@uvm.edu)

phone: 802-656-7356

*This material is funded in partnership with USDA, Risk Management Agency, under award number RM17RMETS524005. Any reference to commercial products, trade names, or brand names is for information only, and no endorsement or approval is intended. Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the United States Department of Agriculture. University of Vermont Extension, Burlington, Vermont. University of Vermont Extension, and U.S. Department of Agriculture, cooperating, offer education and employment to everyone without regard to race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or familial status.*