



Whole Farm Revenue Protection with AGR-Lite

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May, 2012**

The combination of a wet spring and widespread damage last August from Tropical Storm Irene caused many producers to reexamine their farm risk management plans for this year. As we look back on how crop insurance benefited those growers who opted for insurance protection, it is important to note that 41% of the insured farms in Vermont received a payment for 2011 losses. These loss payments totaled nearly \$6.4 million, which was eight times more than the farmer paid premiums for the same period and may very well be a major contributing factor to their ability to continue to operate this season.

While preventing damage from floods and other natural disasters may not be possible, one way that producers can protect their investment in crops is through the revenue based crop insurance policy, AGR-Lite. It is a streamlined whole-farm revenue protection package that can be used as a stand-alone coverage or in addition to other individual crop insurance policies. Available statewide for anyone who is actively farming, the plan is easy to understand because it follows the marketplace. Most farm raised crops, animals, and animal products are eligible for protection. The program is based on the 5-year average of selected revenue reported on IRS Schedule F 1040 or equivalent tax forms.

AGR-Lite provides protection against low revenue due to unavoidable causes, such as flood, drought, insects, disease, wildlife damage and market price fluctuations. Covered gross farm revenue produced for sale includes income from almost all crops and agricultural commodities including animals and animal products such as milk, aquaculture products grown in a controlled environment, and greenhouse production. The value of any crop production fed to animals is counted as animal income. Excluded are revenues from post packaging, sorting, processing, added value including controlled atmosphere storage, and income from timber, forests, forest products, pets, sport and hobbies.

March 15 was the final date to purchase protection for this growing season; however, it is never too early to plan ahead for next year. Start by visiting with a private crop insurance agent. A list of agents is available at your local USDA Farm Service Agency office or you may log on to the RMA website at: <http://www.rma.usda.gov/tools/agents>.

UVM Extension has offices throughout Vermont.
For more information, visit www.uvm.edu/extension.