



2019 Crop Insurance Information for Maple Producers

If you are a maple producer, you must consider all the risks to your enterprise and do your best to plan for unexpected events that might jeopardize your business. Crop insurance is one tool available to help maple sugar makers moderate production and marketing risks. Crop insurance programs are administered through the USDA. Today there are more risk protection options, and coverage is subsidized which makes it more affordable for producers.

Whole Farm Revenue Protection

The Whole-Farm Revenue Protection (WFRP) program 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. This program also allows certified organic producers to use organic prices. Coverage levels range from 50 to 75 percent for farms with one commodity and from 50 to 85 percent for farms with three or more commodities that meet the minimum diversification requirements. Farms with one crop will receive the standard premium subsidy rate used for basic units. A higher premium subsidy is available for farms that have two or more commodities that meet the minimum diversification requirements.

The **sales closing date for WFRP** is 3/15/19 for calendar year or early fiscal year tax filers; the deadline is 11/20/18 for late fiscal year tax filers.

The 2018 Vermont maple syrup production was still #1 in the nation with a total of 1.94 million gallons, down 2 percent from the previous year. NASS

Beginning Farmer Provisions

Beginning farmers now receive increased assistance, which gives them access to risk management tools that are vitally important for new operators. Beginning farmers are exempt from paying the administrative fee for crop insurance policies. In certain instances, it provides them the ability to use the production history of farming operations in which they were previously involved with the decision making or physical activities. It also increases the premium subsidy rates for beginning farmers by 10 percentage points during their first 5 years of farming. If beginning farmers experience a poor yield due to an insurable cause of loss, they may replace the poor yield in their production history with 80 percent of the county T-Yield. (This is 20 percentage points higher than non-beginning farmers receive.) Beginning, limited resource and traditionally underserved farmers are also eligible for a waiver of the service fee and reduced premium for NAP coverage.

Noninsured Crop Disaster Assistance Program (NAP)

Administered by the Farm Service Agency (FSA), this program provides financial assistance to producers of crops for which individual commodity insurance is not available. Maple is an eligible specialty crop for NAP coverage. NAP provides some financial protection against natural disasters that result in lower yields or crop losses. NAP provides loss coverage based on the amount of loss that exceeds 50 percent of expected production at 55 percent of the average market price for the crop. Additional levels of coverage are available, from 50 to 65 percent of production at 100 percent of the average market price. There is a service fee for NAP coverage and producers who elect additional coverage must pay a premium in addition to the service fee.

Some producers were encouraged to tap earlier in the season by the warmer than normal temperatures. The earliest sap flow reported was January 12 in Vermont. On average, the season lasted 52 days, compared with 46 days in 2017.

NASS

Where to get more information

RMA Link for the USDA Risk Management Agency web site home page: <http://www.rma.usda.gov/>

Crop Insurance Agents

An agent must be licensed by the USDA to sell crop insurance in any state. Below is the link to find one in Vermont. There are no specific geographic territories within the state, which means you do not have to select an agent based on where they are located. Programs and fees are the same through all agents. Find someone you will be comfortable dealing with. You can get a list at your FSA office or go to the link for the RMA agent locator:

<http://www.rma.usda.gov/tools/agent.html>

FSA Link to USDA Farm Service Agency web site: <https://www.fsa.usda.gov/>

University of Vermont Agricultural Risk Management and Crop Insurance Education

Website: <http://go.uvm.edu/ag-risk>

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NASS maple report

The complete United States Maple Production Report from National Agricultural Statistics Service is available at:

https://www.nass.usda.gov/Statistics_by_State/New_England_includes/Publications/Current_News_Release/2018/Maple%20Syrup%202018.pdf