

FARM INSURANCE LIABILITY & AGRITOURISM

Stuart Farnham, AFIS, Nationwide Insurance ELITE Farm Certified Agent

MY QUALIFICATIONS

- Stuart Farnham

- ❖ Born and raised in Rockport Maine. Growing up on Aldermere Farm, my father the farm mechanic fixing and maintaining all the farm equipment and automobiles.
- ❖ After college, landed in the field of Quality Management in manufacturing for over 16 years.
- ❖ After the great recession of 2008 retrained myself to sell insurance. Selling insurance first for my father-in-law, then purchasing his business with my wife when he retired in 2018.
 - ❖ Over 300 Farms insured in 4 states.

Aldermere Farm, a working Belted Galloway cattle farm that was owned by Albert Chatfield Jr.. Is the oldest continuously-operated Beltie herd in the US (since 1953). The farm has education programs, farm tours, 4H clubs, annual art shows, gardening programs, moonlight ski tours, nature walks and workshops. More info at **Aldermere.org**.

FARM LIABILITY

Who is responsible for the safety of people on your property?

Farmers and ranchers are legally responsible (**liable**) for the well-being of their customers and employees. Considering safety and minimizing risk are important parts of business planning. To protect your **Agritourism** business, it is important to create a risk management plan. [AGMRC.org/commodities-products/Agritourism/Agritourism Associations and Networks](https://www.agmrc.org/commodities-products/Agritourism/Agritourism%20Associations%20and%20Networks)

AGRITOURISM

- What is Agritourism?
- **Merriam-Webster Dictionary-** : the practice of touring agricultural areas to see farms and often to participate in farm activities. <https://www.merriam-webster.com/dictionary/agritourism>
- **New Hampshire defines,** Agritourism is defined as “attracting visitors to a farm to attend events and activities that are accessory uses to the primary farm operation, including, but not limited to, eating a meal, making overnight stays, enjoyment of the farm environment, education about farm operations, or active involvement in the activity of the farm.” RSA 21:34-a, II(b)(5).
- **Maine defines it** Agritourism activity. “Agritourism activity” means any agricultural activity carried out on a farm or ranch that members of the general public are allowed to view or participate in, including farming, ranching, historical and cultural activities, harvest-your own activities and attractions related to farming or ranching. **An activity is an agritourism activity whether or not the participant pays to view or participate in the activity.** <https://www.nmlegis.gov/handouts/WNR%20102616%20Item%2015%20Agritourism%20Definitions%20by%20State.pdf>

AGRITOURISM

- **My definition of Agritourism**

Any activity on the farm that invites the public to come to your farm.

- “Agritourism” Defined by the National Agricultural Law Center

- Simply stated, agritourism could be thought of as the crossroads of tourism and agriculture. Stated more technically, agritourism can be defined as a form of commercial enterprise that links agricultural production and/or processing with tourism in order to attract visitors onto a farm, ranch, or other agricultural business for the purposes of entertaining and/or educating the visitors and generating income for the farm, ranch, or business owner.

- Regardless of the exact definition or terminology, any definition of Agritourism should include the following four factors:

- • combines the essential elements of the tourism and agriculture industries;
- • attracts members of the public to visit agricultural operations;
- • is designed to increase farm income; and
- • provides recreation, entertainment, and/or educational experiences to visitors.

LIABILITY INSURANCE

- What does Liability Insurance do for you?
 - Farm liability insurance can help protect you and your assets from lawsuits and losses caused by bodily injury and property damage. You can choose from different types of liability insurance tailored to your needs. As a result, you can rest assured that your business, home, property and investments are protected in a variety of situations. [Nationwide.com/business/agribusiness/farm-insurance](https://www.nationwide.com/business/agribusiness/farm-insurance)

IDENTIFY AND MANAGE RISK



Manage Risk, all types.

Top photo is an unorganized storage area on the farm. An attractive nuisance as they say.



Bottom photo is manure and mud on the road at the entrance to the farm driveway. Very slippery when trying to stop or turn.

DEVELOP A RISK MANAGEMENT PLAN



Signage and direction

Top Photo shows signage of what the door goes to and on the right is a handicap parking sign to reserve parking for those in need.



Bottom photo shows a well organized parking entry with the use of cones to keep pedestrians away from cars. Note the porta pot location at the door for easy use.

FARM LIABILITY

- Farm Activity
 - Farm stand, stores, CSA,
 - Pick Your Own-UPick
 - Apples, Berries, Flowers, Pumpkins, Veggies, Fish Your Own
 - Hayrides, Corn Mazes, Tours
 - Petting Farm
 - Summer camps
 - Education Programs/Classes
 - Events, Weddings, Festivals
 - Dinners, Pizza Night, Music
 - Recreation, Trails and Hiking, Skiing, Snowmobiling, Biking
 - Lodging, Yurts, Tents, Glamping,

LIABILITY TYPES

- Business/Farm Insurance-General Policy term
 - Insurance policy for the active farm, can include property liability, building coverage, product liability, equipment liability, operations liability, pollution liability, general liability, and more.
- General Liability, also called Product Liability
 - Products if grown, raised, made or bought for resale need liability. Just because you grow apples, doesn't mean your farm is insured to sell apple pie.
- Farm Pollution Liability, can be included but most states it is an extra.
- Liquor Liability
 - Liquor is very different in each state.
- Event Liability
 - Number of people, activity, facility, workers, alcohol, etc all impact the policy