

**U.S. Department of Agriculture**

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**USDA Implements Key Farm Bill Crop Insurance Provision**

*2014 Farm Bill Measure Strengthens and Expands Insurance Coverage Options for Farm Operations*

WASHINGTON, July 29, 2014 – The U.S. Department of Agriculture (USDA) today announced continued progress in implementing provisions of the 2014 Farm Bill that will strengthen and expand insurance coverage options for farmers and ranchers. The new Supplemental Coverage Option (SCO), available through the federal crop insurance program and set to begin with the 2015 crop year, is designed to help protect producers from yield and market volatility.

“America’s agricultural producers work hard to produce a sufficient amount of safe and nutritious food for the country,” said Secretary Tom Vilsack. “It’s critical that they have crop insurance options to effectively manage risks and ensure that they do not lose everything due to events beyond their control. Following the 2014 Farm Bill signing, USDA has made it a priority to ensure the Supplemental Coverage Option was available to help farmers in this upcoming crop year.”

The 2014 Farm Bill strengthens and expands crop insurance by providing more risk management options for farmers and ranchers and by making crop insurance more affordable for beginning farmers. SCO, which is administered by the Risk Management Agency (RMA), further strengthens the farm safety net.

SCO will be available for corn, cotton, grain sorghum, rice, soybeans, spring barley, spring wheat, and winter wheat in selected counties for the 2015 crop year. Producers should contact their crop insurance agents to discuss eligibility in time to sign up for winter wheat coverage. RMA plans to make SCO more widely available by adding more counties and crops. Information on SCO for 2015 winter and spring wheat is available on the RMA website at [www.rma.usda.gov](http://www.rma.usda.gov). Selected counties for other commodities will be released later this summer.

SCO is a county-level policy endorsement that is in addition to an underlying crop insurance policy, and covers a portion of losses not covered by the same crop’s underlying policy. Producers who elect to participate in Agricultural Risk Coverage (ARC), which is offered by the Farm Service Agency (FSA), are not eligible for SCO for the crop and farm participating in ARC.

Producers applying for SCO for the 2015 winter wheat crop may withdraw coverage on any farm where they have elected, or where they intend to elect, ARC for winter wheat by the earlier of their acreage reporting date or Dec. 15, without penalty. This allows producers additional time to make an informed decision related to whether to elect to participate in either the ARC or Price Loss Coverage (PLC) programs for their winter wheat. If producers withdraw SCO coverage for a farm by the earlier of their acreage reporting date or Dec. 15, they will not be charged a crop insurance premium. In order to withdraw coverage without penalty, producers must notify their agents of their intended election for ARC by the earlier of their winter wheat acreage reporting date or Dec. 15.

Today’s announcement was made possible by the 2014 Farm Bill. The Farm Bill builds on historic economic gains in rural America over the past five years, while achieving meaningful reform and billions of dollars in savings for taxpayers. Since enactment, USDA has made significant progress to implement each provision of this critical legislation, including providing disaster relief to farmers and ranchers; strengthening risk management tools; expanding access to rural credit; funding critical research; establishing innovative public-private conservation partnerships; developing new markets for rural-made products; and investing in infrastructure, housing and community facilities to help improve quality of life in rural America. For more information, visit [www.usda.gov/farmbill](http://www.usda.gov/farmbill).

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