



News Release

Risk Management Agency

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USDA Announces New Peanut Revenue Policy to Help Producers Manage Risks

OKLAHOMA CITY, Nov. 25, 2014 – The U.S. Department of Agriculture’s (USDA) Risk Management Agency (RMA) announced a new federal crop insurance product available for peanut producers for the 2015 crop year. The peanut revenue policy is available in all counties where yield-based insurance coverage is currently offered in Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Texas and Virginia. It’s one of several new options outlined in the 2014 Farm Bill that is helping farmers manage risks beyond their control, such as unexpected price changes.

Peanut producers will need to purchase insurance coverage by the sales closing date. Depending on a producer’s location, the 2015 closing date will be Jan. 31, Feb. 28, or March 15. Producers who insured peanuts in the 2014 crop year under the Actual Production History insurance plan, and continue to maintain an active policy, will automatically be moved to the new Peanut Revenue insurance plan with the yield protection option for the 2015 crop year. While current policyholders will not see a disruption in coverage, they should consult with their crop insurance agent to review and consider the new revenue coverage options by their sales closing date.

“Offering this protection to New Mexico’s, Oklahoma’s, and Texas’ hardworking peanut producers strengthens the farm safety net,” said RMA Regional Director Grant James. “It will provide protection against yield shortfalls and price declines, and serve as a lifeline to farmers affected by events beyond their control.”

The new policy is based on the Common Crop Insurance Policy currently available for other major commodities. It provides growers with a choice of yield protection, revenue protection, and revenue protection with the harvest price exclusion. Available coverage levels range from 50 percent to 85 percent. Information on the new peanut revenue policy for 2015 is available on the RMA website at www.rma.usda.gov.

Producers are encouraged to visit with their crop insurance agent to learn specific details for the 2015 crop year. Federal crop insurance policies are sold and delivered solely through private crop insurance companies and agents. To ensure that producers with current policies will not see a lapse in coverage, RMA has provided the insurance companies whose agents sell crop insurance with instructions on how to convert peanut policies to the new policy. A list of crop insurance agents is available at all USDA service centers and on the RMA website at: www3.rma.usda.gov/tools/agents.

Today's announcement was made possible by the 2014 Farm Bill. The 2014 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.

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