NATIONAL SUSTAINABLE AGRICULTURE COALITION

Memo

To: FPAC Undersecretary Robert Bonnie, Senior Advisor Mike Schmidt, RMA Administrator Marcia Bunger, and FSA Administrator Zach Ducheneaux
From: National Sustainable Agriculture Coalition
Date: Feb. 8, 2022

Re: Recommendations to improve Whole-Farm Revenue Protection as an attractive and accessible vehicle for on-farm risk management and climate stewardship.

USDA's *Action Plan for Climate Adaptation and Resilience* cites Whole-Farm Revenue Protection (WFRP) as a key program to support farmers who use diversification to reduce risk and combat decreasing agricultural productivity.[1] WFRP does indeed represent an important opportunity to combat threats posed by climate change through its diversification incentives, but to fulfill this role well-documented historical barriers to access must be overcome and the strengths of the policy must be fully leveraged.

This memo is intended to inform conversations between NSAC and FPAC agencies, namely RMA and FSA, as we collaborate to implement changes to make WFRP a predominant insurance policy. With the actions herein as an initial roadmap, subject to correction and evolution as necessary, within years WFRP can become a predominant and actuarially sound policy that advances the Administration's climate goals.

Part I offers recommendations to improve WFRP that will reverse the enrollment decline seen since 2017 and strengthen the program's ability to mitigate climate impact.

Part II explores how Approved Insurance Providers (AIPs) may be encouraged to sell WFRP and how product delivery to farmers may be improved.

Part III includes proposed reforms to use the Non-Insured Crop Disaster Assistance Program (NAP) as an on-ramp for producers to enroll in WFRP and data source for innovative practices.

Part IV includes a recommendation to remove barriers to sustainable production created by RMA Good Farming Practices.

Appendix A offers anonymous farmer quotes about their experiences with WFRP from a January 2022 listening session which informed many of the proposals offered herein.

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[1] See page 6 of USDA's ***Action Plan for Climate Adaptation and Resilience***.
https://www.sustainability.gov/pdfs/usda-2021-cap.pdf

Part I – WFRP Reforms

Short term – Feasible to implement as soon as the 2023 crop insurance year.

A. **Make Schedule F alone be sufficient for the establishment of historical adjusted average revenue and specify that AIPs must request verifiable records only in cases where there is documented evidence made clear to the applicant that farm tax records are inadequate.**[2]

It is important to re-establish that the Schedule F (or easily converted equivalent) alone is sufficient for establishing historical average approved revenue, as was the case with the original policies (AGR and AGR-lite). As cited below, this reform is recommended in the *Feasibility of Insuring Local Food Production* report commissioned by RMA and by Congress in the 2018 Farm Bill. Right now, however, the WFRP Standards Handbook requires AIPs and crop insurance agents to request that farmers enrolling in WFRP offer additional documentation to verify their revenue if they deem it necessary. This has become standard operating procedure, often without explanation to the applicant. This is exceedingly burdensome for the applicant and unique to WFRP.

We do not question that there may be some unique circumstances in which AIPs may need to request additional documentation, but we believe that it is unfair to allow producers to be burdened based on mere suspicion, particularly when not being required to explain to the applicant why they are doing so. To maintain flexibility for AIPs and avoid unnecessarily burdening producers, the following change should be made to the WFRP Standards Handbook (in addition to conforming adjustments where there are cross references).

[Section 50, A. (1) on page 41 of the current 2022 handbook]

> Copies of the applicable IRS tax form(s), such as Schedule F, Form 1040, Form 1120, Form 1041, Form 1065, Form 1102S, and form 4835, must be provided to the AIP for each tax year in the whole-farm history period. The AIP ~~must~~ may request verifiable records and/or direct marketing sales records to verify the allowable revenue and allowable expenses on the WFHR ~~when~~ if the AIP has a factual basis ~~reason~~ to believe that the farm tax form(s) do not provide adequate documentation of revenue or expenses for WFRP purposes. In such cases, the AIP must inform the applicant why they are requesting these additional records. ~~In such cases,~~ ~~t~~The AIP must not accept any WFHR if the allowable revenue for any year cannot be verified through the requested verifiable records and/or direct marketing sales records.

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[2] See 7 U.S.C. § 1522 (c) of the **Federal Crop Insurance Act**, which recommends "minimizing paperwork for producers and agents."; See also pages 41, 42, and 99 of the ***Feasibility of Insuring Local Food Production*** report for RMA, which notes: "Ultimately, the information captured on the Schedule F tax return is the critical piece of information; each commodity yield and price are of lesser importance… WFRP would be greatly simplified if RMA only asked producers to submit their IRS Schedule F…" https://www.rma.usda.gov/-/media/RMA/Specialty-Crops/Feasibility-of-Insuring-Local-Food-Production.ashx?la=en

B. **Prohibit the adjustment of price and production expectations at the time of a loss claim.**[3]

Acceptance of the farmer's revised farm operations report should end the adjustment of price and production expectations. The alarmingly common practice of adjusting the production and price information at the time of a loss claim, most often resulting in a reduction of the farmer's indemnity payment, destroys the farmer's confidence in the revenue guarantee and coverage for which they have enrolled and paid. In our experience, this is a primary reason why farmers drop WFRP coverage, and it leads to negative word of mouth impressions among other farmers which discourages participation. For that reason, we recommend that price and production expectations should be cemented upon acceptance of the farmer's final revised farm operations report. Underwriting should be accomplished on the operation report, not at claim time.

C. **Count indemnity payments as historical farm revenue for establishing revenue guarantee and for claims adjustment purposes.**[4]

WFRP could help stabilize the gross revenue of a producer over time. Subtracting federal crop insurance indemnities from the historical average gross revenue, however, makes income look more volatile than it is, and effectively means that users of WFRP who have received indemnity payments at times over the preceding five years are likely to be underinsured. We thus urge you to count all insurance indemnities in determining historical revenue and in claims adjustment.

We recognize and appreciate that three options to moderate the negative impact of disaster years were announced by RMA in the 2020 crop insurance year with a similar goal in mind. However, based on feedback from WFPR users, we maintain that counting indemnity payments would more accurately reflect the historical gross revenue of any farm.

D. **Expand the elimination of expense report and simplified record-keeping requirements available through the Micro Farm pilot to all WFRP users, or at least raise the eligibility cap to include all small and mid-sized family farms.**[5]

The Micro Farm pilot announced in Fall 2021 represents an important step to improve program accessibility by eliminating the expense report requirement and simplifying record-keeping, longstanding NSAC recommendations. However, only the smallest micro farms with an approved revenue up to $100,000 are eligible. In addition, of these, <u>only</u> direct market producers have the reduced verification paperwork burden. Because the Micro Farm pilot addresses a common frustration expressed by farmers who may otherwise consider purchasing WFRP, we recommend that its provisions should be extended to all WFRP users.

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[3] See pages 44, 45, and 100 of the Agralytica ***Feasibility of Insuring Local Food Production*** report for RMA, which indicates RMA should "consider prohibiting changes to the guarantee at the time of loss adjustment since AIPs should have already verified those values prior to insurance attaching."

[4] See 7 U.S.C. § 1522 (c) of the **Federal Crop Insurance Act**, which recommends "counting indemnities as historic revenue for loss years" and "counting payments under section 196 of… 7 U.S.C. 7333 as historic revenue for loss years" to "decrease burdens and increase flexibility and effectiveness" of a whole farm insurance plan.

[5] See 7 U.S.C. § 1522 (c) of the **Federal Crop Insurance Act**, which recommends "implementing an option for producers with less than $1,000,000 in gross revenue that requires significantly less paperwork and record-keeping."

A second-best option – consistent with the congressional recommendation in the 2018 Farm Bill – would be to expand the pilot to include all small and mid-sized family farms[6] and to no longer restrict simplified record-keeping to just direct market producers.

E. **Raise the 35 percent limit on growth expansion for all producers, not just organic producers, to not greater than 100 percent.**[7]

We appreciate that in Fall 2021 the expansion limit was raised from a flat 35 percent to the higher of $500,000 or 35 percent for certified organic producers and those transitioning to organic. However, organic producers were not uniquely constrained by the 35 percent limit to expansion when compared to non-certified or conventional producers. It is not uncommon for all farms, especially when starting up and in years of early growth, to undertake rapid year over year growth. WFRP should be a product that can address the needs of all beginning farmers, transitioning farms, and farms that are scaling up to produce for local, regional, and other expanding markets. Therefore, we recommend the cap be increased to not greater than the higher of 100 percent or $500,000 for all producers, based on documented and verifiable records of land expansion, change in crops, and changes in markets and contracts.

Mid-term – Feasible to implement within two years.

A. **Strengthen the diversification premium discount by raising the commodity limit and recognizing the risk reduction value of non-insured crops.**[8]

The diversification discount for farmers who plant or raise at least three commodities is simultaneously upheld by farmers as a unique draw to WFRP and criticized for its perceived ineffectiveness in practice. Farmers routinely express that they experience little or no discount beyond three commodities or that they are too diverse for the incentive to matter.

As recommended in the *Feasibility of Insuring Local Food Production* report, we too recommend that the diversity premium discount mechanism continue to lower as more crop or livestock products are added, more faithfully reflecting the actual value of risk reduction from increased diversification. In addition, the diversity discount calculation needs to be easily understood by applicants and agents. WFRP users also recommended expanding the diversification premium discount to recognize the risk reduction value of non-insured crops, such as cover crops and green manure.

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[6] USDA defines small family farms as those with a gross cash farm income (GCFI) less than $350,000 and mid-sized family farms as those with a GCFI less than $1 million.
https://www.nass.usda.gov/Publications/Highlights/2021/census-typology.pdf

[7] See 7 U.S.C. § 1522 (c) of the **Federal Crop Insurance Act**, which recommends "allowing a waiver to expand operations, especially for small and beginning farmers."; See page 45 of the ***Feasibility of Insuring Local Food Production***, which "question[s] whether the 35 percent limit is high enough."

[8] See pages 43 and 100 of ***Feasibility of Insuring Local Food Production***, which supports "provid[ing] additional discounts for producers with seven to ten commodities, 11-20, 21-30, and 30+.".
https://www.rma.usda.gov/-/media/RMA/Specialty-Crops/Feasibility-of-Insuring-Local-Food-Production.ashx?la=en

Long-term – May take more time to fully accomplish.

A. **Reform the FCIP rating model to recognize that conservation practices should be accounted for when setting crop insurance premiums**.

   This recommendation is not unique to WFRP but is fundamental to building a food system which can adapt to and mitigate the growing impacts of climate change. If the FCIP rating model were reformed to recognize the inherent risk reduction value of conservation practices, such as but not limited to diversification, resource-conserving crop rotations, cover cropping, interseeding, and rotational grazing, farmers would be incentivized to adopt such practices to justifiably secure lower crop insurance premiums. In other words, rather than externalize the cost of growing risk onto taxpayers this would encourage and reward restorative risk management within the production system.

   This is not a question of sacrificing higher yields for enhanced resilience, but rather an evolution to economically profitable yields across a greater range of crops and livestock products through inherently resilient farming systems.

Part II – AIP and Delivery Reforms

Short term – Feasible to implement as soon as the 2023 crop insurance year.

A. **Regularly inform AIPs they are required to offer WFRP and explore reasons why some AIPs resist offering WFRP.**[9]

Because WFRP is an RMA pilot, AIPs are required to offer WFRP to any producer who requests it. Research has confirmed, however, that some AIPs do not provide any information about WFRP on their websites and there are many agents who are either not familiar with the product or actively discourage its use. To begin correcting this, RMA should issue a definitive statement which clearly expresses that AIPs must offer WFRP and upholds the product as an important vehicle to mitigate the impacts of climate change.

In addition, to ensure that WFRP is actively offered we recommend regular RMA oversight to explore reasons for resistance from AIPs and agents, including but not limited to insufficient agent training and perceived low compensation relative to other insurance policies. RMA should prioritize acting on any identified avenues to remove as many barriers as possible,

B. **Fund the creation of an online WFRP farmer-friendly premium calculator.**

Farmers express that uncertainty about the cost of WFRP premiums is a barrier to accessing the program. Who wants to commit energy to purchasing a product or service when you have little idea what it will ultimately cost? Especially when many agents do not have the knowledge or are not willing to entertain selling WFRP and produce a cost estimate for interested farmers. During the AGR and AGR-Lite era that preceded WFRP, RMA funded the creation of an intuitive online AGR-Lite premium calculator (AGR-Lite Wizard) through which agents and farmers could calculate premium cost estimates with relative ease by inputting basic information. The calculator's output would be taken to a crop insurance agent, easing the agent's burdens to write up a policy. To assist farmers considering WFRP make their decision and boost farmer confidence in the product, RMA should create or fund the creation of a similar tool for WFRP.

C. **Use RMA's cooperative agreement authority to partner with NGOs/CBOs to develop technical assistance opportunities for interested producers around WFRP.**

Technical assistance would decrease barriers to entry for those producers who may have heard about WFRP but lack the resources or technical capacity to sign up for coverage. For example, NGOs/CBOs with cooperative agreements could provide farmers with

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[9] See pages 43, 44, and 100 of ***Feasibility of Insuring Local Food Production***, which explores the lack of interest among AIPs in selling WFRP and highlights that "AIPs and agents would benefit from additional WFRP educational opportunities. RMA could even consider requiring additional training sessions."; See ***Is Organic Farming Risky? Improving Crop Insurance for Organic Farms***, Chapter 4 – A Survey of Crop Insurance Agents. Morris, M, E. Belasco, and J. Schahczenski, 2019. National Center for Appropriate Technology, Butte, Montana accessible at: https://attra.ncat.org/product/is-organic-farming-risky/

technical assistance to set up and establish record keeping systems needed to participate in the program, including service providers to work with the farmer over time to maintain the system.

D. **Release data on the parameters of farm revenue insured under WFRP policies to boost farmer confidence.**

Farmers not currently served by crop insurance are often completely unfamiliar with the crop insurance system. Many farmers might be more likely to purchase crop insurance if they knew that other farms with similar operations and revenues use and benefit from purchasing WFRP. We recommend that RMA share data annually on trends regarding WFRP participation, including type of farming operation, demographic data, and parameters that describe the maximum, minimum, mean and median farm size and revenue levels of WFRP participants. This data will support improved targeting of outreach efforts on WFRP to farmers.

Mid-term – Feasible to implement within two years or to authorize in the next farm bill.

A. **Consider changes in compensation rate or model for agents who write WFRP policies.**[10]

The method of calculating Administrative and Operation cost reimbursements (A&O) is based on total premiums, which considers the value of the crop, and has no connection to actual expenses an agent incurs in administering a policy. With few exceptions this disincentivizes agents from suggesting WFRP, which generally takes more time to write due to greater paperwork requirements and wide variability between farms when compared to an average, relatively cookie-cutter single commodity revenue policy. We would welcome a conversation with you about your expectations for renegotiations of the Standard Renegotiation Authorization (SRA) and the possibility of including something akin to an hourly compensation rate for WFRP policies.

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[10] See pages 43, 44 and 100 of ***Feasibility of Insuring Local Food Production***, which notes "without this change, there will be a natural ceiling on how much RMA can improve participation in WFRP if agents are not incentivized to sell it."

Part III – NAP Reforms

Short term – Feasible to implement as soon as the 2023 crop insurance year.

A. **Increase availability of NAP data by providing an equivalent of the crop insurance Summary of Business provided by RMA to improve WFRP risk analysis.**[11]

While one may access overall coverage and the number of farms enrolled in NAP, these numbers are not broken down and available to the public as is crop insurance data. Having access to such data would not only enable targeted outreach to promote the program but present currently inaccessible actuarial data from non-insured minor crops covered through the program. Because one complexity with WFRP is some degree of unquantified risk due to the lack of complete actuarial data for many minor crops, using NAP data to help fill in the gaps and show the variation of price and yield risk for minor crops could improve risk analysis of WFRP, and could possibly also be used to reduce premiums or boost the diversification discount.

B. **Establish a NAP to WFRP on-ramp policy.**

The 2018 Farm Bill required RMA and FSA to work together to provide better coverage options for beginning farmers, including by leveraging NAP as an on-ramp to federal crop insurance. Such a bridge should be established between NAP and WFRP to help beginning and transitioning farmers who do not yet have five years of actual production history for a diversified operation. The NAP on-ramp policy should mirror the structure and requirements of WFRP, which will enable farmers to graduate from using NAP to using WFRP seamlessly and intuitively.

C. **Use NAP as a mechanism to pilot innovative, climate-smart insurance policies.**

FSA should use NAP as a mechanism to pilot innovative models for what could become insurance policies that promote climate resilient production systems. NAP pilots would yield actuarial data history which could lead to the adoption of new crop insurance policies through collaboration with RMA.

Mid-term – To authorize in the next farm bill.

A. **Change the name of NAP to reflect upgrades which have been made to the program.**

Once derided as the "Not a Penny Program," NAP developed a resounding negative reputation among farmers. USDA should propose a change to the program's name in the upcoming Farm Bill cycle to reflect the significant improvements which have been made to the program since the 2014 Farm Bill as well as the dawn of a new phase for the program as an important vehicle to advance innovative, climate-smart practices.

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[11] See 7 U.S.C. § 7333 (c) of the **Federal Agricultural Improvement and Reform Act** which authorizes the Secretary to coordinate with the RMA Administrator "on the type and format of data received under the noninsured crop disaster assistance program that- (i) best facilitates the use of that data in development policies or plans of insurance…; and (ii) ensures the availability of that data on a regular basis."

Part IV – RMA Good Farming Practices Reforms

Short term – Feasible to implement as soon as the 2023 crop insurance year.

A. **Modify the RMA definition of Good Farming Practices to align with NRCS definitions by removing yield clauses.**

Currently, farmers who may consider transitioning to adopt many climate-smart agricultural practices – both enrolled in WFRP and not – are deterred from doing so by RMA Good Farming Practice (GFP) definitions and rules. RMA maintains that a practice may not be considered a GFP if it reduces or adversely affects historic yields in any way. However, temporary yield drags are customary on many farms and particularly on farms transitioning to climate-smart, regenerative, and organic systems. We believe that any farming and ranching conservation practices that are defined and financially supported by NRCS should automatically be recognized by RMA as GFP without any requirement that the farmer prove that the practice will have zero yield impact.

We are concerned that contradictory signals from USDA to farmers – encouraging them to adopt conservation practices through technical and financial assistance, but then denying them indemnity payments because they did so – is bad for the farmer, bad for the climate, and bad for USDA's reputation. We're grateful for the chance to discuss this with you, in the hopes that farmers can be confident making decisions to adopt new climate-smart practices and transition to sustainable or diverse farming operations without fear of penalty.

Appendix A – Farmer WFRP listening session

What makes you interested in WFRP? What are the program's strengths?

"We chose to use [WFRP] because by design it rewards rather than penalizes diversity unlike other crop insurance programs. Not enough, but it does. All the other crop insurance programs in my experience seriously penalize diversity."

"I was led to believe it would remove reliance on RMA [Good Farming] Practices and the need to document compliance with those practice, in that it is supposed to insure your historic revenue based on how you farm – not how RMA or one of the agent thinks you should farm. But it doesn't seem to be how it turned out."

"I would love to see a standard five-crop rotation [in Iowa], because I know that is just better for the soil and better for the land all around. I was hopeful that [WFRP] would promote that."

"I like the idea that it could promote more diverse crops. I would like a policy available for extremely diverse farms to protect their revenue in case of disaster."

"We raise mixed produce. The programs biggest strength is that there are no other options available. I would not pursue it if I didn't have to."

What are your experiences working with agents to purchase WFRP?

"Insurance agents don't know what the heck they are doing with it… I went to them several years ago to ask about WFRP, and even though they were listed as references they didn't know about it."

"I ended up educating my agents about [WFRP], and I am not an insurance professional. If I am the person who knows the most about the program, and I am not an insurance professional, then I am not likely to follow-through if I don't trust the agent to know what is going on."

"We got a policy and in the third year had significant crop loss. It turns out the agent we had been working with had misunderstood the requirements… We were denied an indemnity payment… Once we had things cleared up, we thought we were fine, but about two years later we had the same problem again. It has been a tussle trying to find anyone familiar with the program to help us wind our way through the right way of reporting things."

"When we were first signing up for WFRP we were working with one agency. The gentleman there… was completely disinterested and told me they didn't think it applied to our region… We spoke to a few others with similar responses."

"I know more about [WFRP] than my agent and maybe even most people in their company. It is not just that they don't understand, but in my experience, they are outwardly hostile to a different insurance program."

“My local agents are happy to sell but don’t know or understand the product and if it even mitigates risk for their producer.”

“Agents don't know [WFRP]. Agents don't care to know about it. Still too dependent on dividing insurance into crops rather than being whole farm… They have no knowledge or interest in providing it.”

“We have experienced flat out denial of the existence or availability of WFRP, claims that it would not cover our farm, lack of agent education, and AIP hostility.”

What challenges or barriers to access have you experienced with WFRP?

“The biggest challenge that we have is that we are buying a policy that is supposed to cover 80% of our revenue but, in reality, it only covers about 45%. I tried to figure that out. From what I understand, when they calculate your historical revenue, they deduct any other insurance payments. Unfortunately, where we live and farm, we have collected insurance over the years, and it has at times been a significant portion of our income. And if you take that away, you are automatically drastically reducing what is legitimately our average revenue. To add insult to injury, if you have WFRP and any other policy, when they figure your indemnity, they subtract what else you receive, which drastically reduces what you get.”

“The biggest problem with WFRP is that other products are so good. Especially if you do not grow very many crops; the individual crop policies are actually more profitable.”

“I have really wanted to participate knowing we could have full crop failure. But I haven’t even talked to an agent because I figured the program wouldn’t work for us because we have at least 50-75% of our farm’s revenue comes from a CSA program… I understand the challenges that farmers with a CSA model face when looking at WFRP, but I think there is a real need for it and to think creatively about tackling that challenge when it comes to any crop insurance options.”

“When you have a smaller farm, although this is probably true for larger farms too, I really dislike entering a shopping mode without an idea of how much this will end up costing me. I would like to know if I should even enter the diamond shop or not; if it is going to price me out before I even start, I wouldn’t bother.”

“It would be nice if there was some sort of online tool so that I can enter basic information and get an estimate of what a normal cost would be. This links to the agent issue; because if an agent doesn’t know what they are talking about and you have no reference for the cost, you have no way to measure if what they are citing you is even reasonable.”

“30% multiplier in transitioning acres.”

“Inadequate coverage levels based on history, wildly varying coverages based on the same tax returns with no understanding on the agent's part, inexplicable verification standards.”

“We started planting strawberries. The Iowa state production average is something in the order of about 800 or 1,200 pounds to the acre. We grew ~15,000 pounds per acre last year, but they won’t insure beyond the state average until you have at least 5 years of production history. This is a big problem if you want to add diverse crops that aren’t in production in a major way in your state.”

“It is not accessible to beginning farmers, even if we are doing wholesale, because we have been growing our operations and scaling up but do not have 5 years of Schedule F returns that are at the level of revenue that we need insurance for.”

“If our sales are growing, the level of protection from insurance can never keep up.”

“Initially, the idea behind WFRP was whole-farm revenue protection – and yet, we are still stuck on “Let’s split it all out.” We are stuck on splitting it out into different crops, rather than saying “This farm is relying on making X, they pay to insure for making X, they didn’t make X because of this very specific, verifiable catastrophe, so they should be compensated.”

“A real advantage of the program was that it wouldn’t rely on RMA Good Farming Practices. They have all these rules about summer fallow, what is continuous cropping, and when you must terminate your cover crops, and what your yields are based on your compliance with their practices. None of that makes any sense on our farm. There is no correlation between those practices and our proven yield. WFRP was supposed to focus on what we do based on our history and based on my good farming practices – not yours. But then two or three years ago they started asking for information that they ask me about on all other individual crop insurance policies… I’m not sure where we got off track there, but it is a perversion in my opinion.”

“We’ve had three of the wettest years on records and zero payments. It is legalized stealing.”

“Delaying any settlement until the schedule F is filed is challenging for managing cash flow.”

“It doesn't address our small scale of farm. It doesn't address a highly diverse farm. It doesn't address vegetable seed crops, etc.”

“Expanded operation provisions and indexing have proven unable to keep up with growth on our farm. We have no option but to be under-insured.”

“I am a vegetable farmer in Central Illinois and have had a wildly difficult time making use of this program – from being flat out denied access to the policy and suffering losses that should have been covered, to having other agents be unable to calculate income and coverage levels, to currently undergoing an unbelievable amount of revenue verification with another agent. They've got 5 years of Schedule F's, 5 years of direct market and wholesale sales reports - and are requiring me to track down and match every single invoice and check stub to prove my wholesale income… All in all, the policy in action here has cost our farm huge amounts of time and money.”

How do WFRP diversification discounts impact your on-farm decisions? Could these incentives be expanded?

"For our farm it actually works the other way. We are too diverse, even for this program, so if I wanted [WFRP], I would have to become less diverse."

"They consider two crops diverse… To me, it is a step in the right direction, but they are not recognizing true diversity."

"There is no incentive to go beyond 3-4 crops."

"I would like to argue that there are incentives for diverse cropping systems even if you don't insure all the crops. We grow a lot of green manure and corer crops that we don't harvest, but they definitely add to our diversity and lower the risk and increase the odds of success in our system. There should be incentive for diverse systems even if they aren't covered."

"Diversity incentive should also recognize the value of non-insured crops, such as cover crops and reward growers when the rotation is diverse whether crops are harvested (and insured) or not."

"We are very diverse regardless of WFRP. Yes, incentives should be expanded."

"I am growing anywhere from 50 to 60 different crops… Early on, [WFRP] didn't fit that either because I did not have any crop that was of a high enough percentage to list, and then suddenly it just didn't work."

"Generally, crop insurance discourages anything we do to manage risk, whether that is diversity, cover cropping, or livestock integration. All of these things make sense, but I need to think twice before I do them… I would do that except it will cost me more to insure and it will lower my yield and I will have less coverage."

"What would really help is if we could include some of our value-added production. That is our biggest insurance. I don't know why we want to be penalized in some ways by backstopping our own operations by figuring out our own revenue streams when nature doesn't work with us."

How would it impact you if insurance payments were counted as allowable revenue or if other insurance payments were not deducted from WFRP settlements?

"That change is necessary to make the policy viable. We will likely be forced to cancel if one of these elements is not changed."

"Farming in climate change, there will be losses. Until here is a better economy or system to find ways to prop it up, crop insurance will be part of our income. If you deduct that from our average historical revenue, it automatically lowers insurable income to the point where we are buying 80% coverage and we are insuring 45%. If 45 is our floor, I can't survive."

"The last two years I have only bought the product because I want to see it work and participate in the process… but it does not make any economic sense given the level of our revenue that we can actually insure. Until or unless they change at least one, if not both, of those structural policies, it will not be viable. At least in this region, where losses are common."

"The bottom line is if you collect insurance this program doesn't work. Because it still relies on your non-insurance income to insure your whole income. The concept does not make sense in a world where most farms under climate change are going to have to rely on insurance at some point. If you accept that is true, you must count that as income – because it is."

Do you have any other insights or ideas to make WFRP work better for your farm?

"It is a real problem when you can't settle until after you file your Schedule F. Last year, in the pandemic, our accountant was overwhelmed, and we didn't even have a Schedule F until August. Thankfully, we didn't have a WFRP claim – but we didn't even know that. There needs to be a partial settlement after harvest."

"Allowed expenses are pure loopholes for the insurance companies not to pay."

"Stop invoicing for premiums when claims are outstanding. Never ask a grower to pay until the claim is settled. At least do not cancel policies, for non-payment, when claims remain unsettled."

"Better accommodating expanding farms. Estimated and earlier indemnity payments in the event of catastrophic loss. Creating some kind of accountability for how allowable revenue is calculated by AIP's - we've gotten back differences in the 50-60% range when providing the same documents with no explanation other than 'The other guy is doing it wrong.'"