REPORT ON OUTREACH EFFORTS

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Maryland Crop Insurance Education Program:

This institution is an equal opportunity provider.
The basic case for crop insurance

• Provides a source of income when you need it the most.
• The substantial impact of government subsidies.

• Auto insurance in a recent year:
  • Maryland drivers pay $4 billion in premiums to insurance companies.
  • Insurance companies pay about $2.7 billion in payments to Maryland drivers to cover insured losses.
  • 64 cents of indemnities for every dollar of premiums.

• Crop insurance cumulative since 2000:
  • Maryland farmers pay $147 million in premiums to insurance companies.
  • Insurance companies pay $250 MILLION to Maryland farmers to cover insured losses.
  • $1.70 of indemnities for every dollar of premiums.
Expanding Supplemental Coverage Option (SCO) and Yield Exclusion

- County by county and crop by crop
Whole Farm Insurance:

- Designed for diversified specialty crop, mixed grain, organic, or livestock producers
What is NAP?

• “Insurance type product” for crops that do not have crop insurance policies approved for sale.
• Available from government (contact your local FSA office) not from crop insurance companies.
• Covered losses: weather, earthquake, flood, disease, insect damage.
Poultry Insurance Reports

- 2014 Farm Bill required RMA to conduct studies to see about possibility of crop insurance programs for poultry industry:
  - Business interruption insurance
  - Catastrophic disease insurance

- Studies concluded not feasible to provide at this time
  - Limited data (poultry data and values proprietary info of companies)
  - Growers don’t own an “insurable interest” requires legislation to be rewritten
  - Utilize other risk management tools
Dairy Farmers

• Very low prices in March-June.
• Disappointment in new safety net program MPP.
• Financial stress resulting from new manure management requirements.
• LGM-Dairy might look more attractive now than in the past.
The year to come….

• Suggestions welcome.

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