

# Education for Farmers, by Farmers

# FARMWALK2018

A woman in a tan jacket and dark pants is smiling as she works with large black irrigation pipes in a field. The pipes are arranged in a large circular pattern. In the background, there are green plants, a field, and mountains under a cloudy sky.

## Recovering from a Loss & Building Up the “Community Good Will Credit Card”

Willowood Farm  
of Ebey's Prairie

Coupeville, WA

Monday, October 22, 2018

presented collaboratively by:



Food Systems

WASHINGTON STATE UNIVERSITY



# TILTH CONFERENCE

*Diversified Landscapes & Common Ground*

November 9-11 • Spokane, WA

## Registration is Open!



**Mai Nyugen,  
Keynote Speaker**



**Audra Mulkern,  
Capnote Speaker**

- Two full days of engaging lectures, workshops and panel discussions
- Academic symposium on emerging varieties, breeds and niche markets
  - Trade show • Farm tour with LINC Foods • Poster session
  - Make connections & build partnerships

**Learn more at [tilthalliance.org](https://tilthalliance.org)**



WSU Food Systems Program and Tilth Alliance have been collaboratively presenting the FARMWALK series for 15 years! These farmer-to-farmer educational events are hosted by organic, sustainable, and innovative farms throughout Washington State. We reach over 450 attendees each year seeking education, advice, and mentorship from experienced farmers, agricultural professionals, and WSU researchers and specialists. Held throughout the growing season in geographically disperse areas of the state, the unique expertise developed by established growers and researchers is shared experientially through guided question-and-answer sessions.

*¡WSU Food Systems Program y Tilth Alliance han estado presentando colaborativamente la serie FARMWALK por 15 años! Estos eventos educativos de agricultor a agricultor son organizados por granjas orgánicas, sostenibles e innovadoras en todo el estado de Washington. Llegamos a más de 450 asistentes cada año en busca de educación, asesoramiento y asesoramiento de agricultores experimentados, profesionales de la agricultura e investigadores y especialistas de WSU. Celebrada a lo largo de la temporada de cultivo en áreas geográficamente dispersas del estado, la experiencia única desarrollada por cultivadores e investigadores establecidos se comparte de manera experimental a través de sesiones de preguntas y respuestas guiadas.*

# FARMWALK2018

Funding for this event is provided by a  
USDA Risk Management Grant





Willowood Farm of Ebey's Prairie is located in the Town of Coupeville on beautiful Whidbey Island, just north of Seattle, Washington. We are an established diversified farm growing over 200 different varieties of vegetables, herbs, and dry beans. We are a 20-acre farm with approximately 12-acres in production annually.

On the evening of March 6th, 2017 at 8pm, a devastating fire destroyed the historic Smith Barn on Ebey's Landing National Historic Reserve, along with the livelihood of the Smith Family and Willowood Farm.



Willowood Farm has been run by the Smith family since the late 1800s. At one point the farm was over 400 acres and grew field crops such as barley, peas, winter squash and even iris bulbs. In the 1960s and 70s we ran a lot of cattle and horses on the farm.

In the late 70s, the farm was key to a push to save the beautiful and jeopardized farmland of Central Whidbey Island. In 1978 the farm, and surrounding 17,000 acres, were designated as the first ever "reserve" under the auspices of the National Park Service. Known as the Ebey's Landing National Historic Reserve, it is a special kind of park with land mostly privately owned but without developmental rights. The area preserves the historic, cultural integrity of the small farming community it was when first settled. In the late 70s and early 80s, the Smith family moved away from farming the land and most of Farmer Georgie's childhood growing up on the farm we were not actively farming. However when Georgie moved back onto the farm with her family in the 1990s, she started with a small vegetable farm. That grew, and grew and grew! Now growing on approximately 12 acres, we plant more than 200 named varieties of vegetables yearly growing and producing almost year round.



Farmer Georgie has a journalism degree and concentrates her time managing the farm, dealing with customers and all that fun stuff.



Father Bill is right hand mechanic and special projects man.

# Agricultural Risk Management

June 2018

## Risk Management Planning

Due to the inherently risky nature of agriculture, it is important for producers to manage risks from five primary sources.

1. **Production:** weather, pests, diseases, and other factors affecting quantity and quality
2. **Financial:** debt repayment, restricted credit availability, and rising interest rates
3. **Marketing:** price variability, cost of inputs, and limited market outlets
4. **Human Resources:** business disruptions by health, accident, death or other personal problems
5. **Legal:** government changing laws, regulations, and support payment policies

A checklist to assess risk exposure in these areas is available here:

[https://www.rma.usda.gov/pubs/2011/risk\\_management\\_checklist.pdf](https://www.rma.usda.gov/pubs/2011/risk_management_checklist.pdf)

## USDA Tools for Farmers

Risk management involves choosing among alternatives that reduce financial effects that can result from uncertainties. The USDA has tools to help farmers in these risk planning endeavors, such as:

- **Crop Insurance:** through the Federal Crop Insurance Corporation, USDA and participating Approved Insurance Providers offer crop insurance to American farmers and ranchers to help them manage risks on their farms and ranches
- **Marketing Assistance:** USDA's FSA can provide assistance managing the market risks, including price loss and disparities faced by geographically-disadvantaged producers
- **Disaster Assistance:** USDA's FSA and Natural Resources Conservation Service (NRCS) can provide assistance for losses resulting from natural disasters such as drought, flood, fire, freeze, tornadoes, pest infestation, and other calamities
- **Risk-Management Education:** USDA provides funds to provide risk education and tools tailored for different regions of the country and types of farming operations

More information is available here: <https://newfarmers.usda.gov/risk-management>

## Examples of Government Risk Management Programs

- **Federal Crop Insurance:** pays when weather or other natural causes adversely affect yield or crop value below a specified level
- **Supplemental Coverage Option:** additional insurance coverage for a portion of your underlying crop insurance policy deductible
- **Noninsured Crop Disaster Assistance Program:** provides financial assistance to producers of non-insurable crops when low yields, loss of inventory, or prevented planting occur due to natural disasters
- **Agricultural Risk Coverage Plan:** pays when county crop, or individual farm, revenue for covered commodities falls below 86% of benchmark revenue

- **Emergency Loans and Feed Assistance Programs:** disaster assistance packages, such as supply of pasture or hay for livestock producers when feed is limited due to drought or other adverse conditions

More information about these programs, and more, is available here:

<https://www.rma.usda.gov/>

<https://www.fsa.usda.gov/>

## Whole-Farm Revenue Protection

Whole-Farm Revenue Protection (WFRP) provides a risk management safety net for all commodities on the farm under one insurance policy. This insurance plan is tailored for any farm with up to \$8.5 million in insured revenue, including farms with specialty or organic commodities (both crops and livestock), or those marketing to local, regional, farm-identity preserved, specialty, or direct markets.

### Why is WFRP important?

WFRP provides protection against the loss of insured revenue due to an unavoidable natural cause of loss which occurs during the insurance period and will also provide carryover loss coverage if you are insured the following year.

More information is available here: <https://www.rma.usda.gov/policies/wfrp.html>

## Evaluation of Risk Management

Examining the effectiveness of a risk management plan is important to improve the success of your farm and mitigate more risks. A mechanism such as a checklist can be very useful in this evaluation:

- ✓ *Have the primary sources of risk been identified and classified?*
- ✓ *Have the risk outcomes and their likelihood or probability of occurring been estimated?*
- ✓ *Has the financial capacity of the business or ability to bear risk been evaluated?*
- ✓ *Have the risk tolerances of the business operators been considered?*
- ✓ *Are risk goals written and are they specific, measurable, attainable, relevant, and timed?*
- ✓ *Have the goals been shared with everyone involved in the business?*
- ✓ *Have risk tools and strategies been identified to help manage risks which could prevent achieving established goals?*
- ✓ *Has a confident relationship been established with a team of risk management advisors, so they can help assess and manage business and personal risk exposure?*



### Noninsured Crop Disaster Assistance Program for 2015 and Subsequent Years

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#### OVERVIEW

The Noninsured Crop Disaster Assistance Program (NAP), reauthorized by the 2014 Farm Bill and administered by the U.S. Department of Agriculture (USDA) Farm Service Agency (FSA), provides financial assistance to producers of noninsurable crops to protect against natural disasters that result in lower yields or crop losses, or prevents crop planting.

#### ELIGIBLE PRODUCERS

An eligible producer is a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop and is entitled to an ownership share of that crop. The 2014 Farm Bill specifies that an individual's or entity's average adjusted gross income (AGI) cannot exceed \$900,000 to be eligible for NAP payments. Also, NAP payments received, directly or indirectly, will be attributed to the applicable individual or entity and limited to \$125,000 per crop year, per individual or entity. (To learn more, visit [www.fsa.usda.gov/limits](http://www.fsa.usda.gov/limits).)

#### ELIGIBLE CROPS

Eligible crops must be commercially produced agricultural commodities for which crop insurance is not available and be any of the following:

- Crops grown for food;
- Crops planted and grown for livestock consumption, such as grain and forage crops, including native forage;
- Crops grown for fiber, such as cotton and flax (except trees);
- Crops grown in a controlled environment, such as mushrooms and floriculture;
- Specialty crops, such as honey and maple sap;
- Sea oats and sea grass;
- Sweet sorghum and biomass sorghum;
- Industrial crops, including crops used in manufacturing or grown as a feedstock for renewable biofuel, renewable electricity or biobased products;

- Value loss crops, such as aquaculture, Christmas trees, ginseng, ornamental nursery and turf-grass sod; and
- Seed crops where the propagation stock is produced for sale as seed stock for other eligible NAP crop production.

Producers should contact a crop insurance agent for questions regarding insurability of a crop in their county. For further information on whether a crop is eligible for NAP coverage, producers should contact the FSA county office where their farm records are maintained.

#### ELIGIBLE CAUSES OF LOSS

Eligible causes of loss include the following natural disasters:

- Damaging weather, such as drought, freeze, hail, excessive moisture, excessive wind or hurricanes;
- Adverse natural occurrences, such as earthquake or flood; and
- Conditions related to damaging weather or adverse natural occurrences, such as excessive heat, plant disease, volcanic smog (VOG) or insect infestation.

The natural disaster must occur during the coverage period, before or during harvest, and must directly affect the eligible crop.

#### COVERAGE LEVELS

NAP provides basic coverage equivalent to the catastrophic level risk protection plan of insurance coverage, which is based on the amount of loss that exceeds 50 percent of expected production at 55 percent of the average market price for the crop.

The 2014 Farm Bill authorizes higher levels of coverage ranging from 50 to 65 percent of production, in 5 percent increments, at 100 percent of the average market price. Additional coverage must be elected by a producer by the application

closing date. Producers who elect additional coverage must pay a premium in addition to the service fee. Crops intended for grazing are not eligible for additional coverage.

### **APPLYING FOR COVERAGE**

Eligible producers must apply for coverage using form CCC-471, "Application for Coverage," and pay the applicable service fee at the FSA office where their farm records are maintained. The application and service fee must be filed by the application closing date. *Application closing dates vary by crop* and are established by the FSA State Committee. Contact your local FSA office to verify application closing dates.

Producers who apply for NAP coverage acknowledge that they have received the NAP Basic Provisions, available at FSA county offices and at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap).

### **SERVICE FEES AND PREMIUMS**

For all coverage levels, the NAP service fee is the lesser of \$250 per crop or \$750 per producer per administrative county, not to exceed a total of \$1,875 for a producer with farming interests in multiple counties.

Producers who elect higher levels of coverage must also pay a premium equal to:

- The producer's share of the crop; times
- The number of eligible acres devoted to the crop; times
- The approved yield per acre; times
- The coverage level; times
- The average market price; times
- A 5.25 percent premium fee.

For value loss crops, premiums will be calculated using the maximum dollar value selected by the producer on form CCC-471, "Application for Coverage."

The maximum premium for a person or legal entity that is a NAP covered producer is \$6,563 (the maximum payment limitation times a 5.25 percent premium fee). If the NAP covered producer is a

joint operation, the maximum premium is based on the number of multiple persons or legal entities comprising the joint operation.

Beginning, limited resource and targeted underserved farmers or ranchers are eligible for a waiver of the service fee and a 50 percent premium reduction when they file form CCC-860, "Socially Disadvantaged, Limited Resource and Beginning Farmer or Rancher Certification." To be eligible for a service fee waiver or premium reduction, the NAP covered producer must qualify as one of the following:

Beginning farmer or rancher – a person or legal entity who:

- Has not operated a farm or ranch for more than 10 years; and
- Materially and substantially participates in the operation.

For legal entities to be considered a beginning farmer, all members must be related by blood or marriage and must be beginning farmers.

Limited resource farmer or rancher – a person or legal entity that:

- Earns no more than \$173,600 in each of the two calendar years that precede the complete taxable year before the program year, to be adjusted upwards in later years for inflation; and
- Has a total household income at or below the national poverty level for a family of four, or less than 50 percent of county median household income for both of the previous two years.

Limited resource producer status may be determined using the USDA Limited Resource Farmer and Rancher Online Self Determination Tool located at <https://lrftool.sc.egov.usda.gov/DeterminationTool.aspx?fyYear=2018>. The automated system calculates and displays adjusted gross farm sales per year and the higher of the national poverty level or county median household income.



### Emergency Disaster Designation and Declaration Process

#### OVERVIEW

Agriculture-related disasters and disaster designations are quite common. Many counties in the United States have been designated as disaster areas in the past several years, even in years of record crop production.

The Secretary of Agriculture is authorized to designate counties as disaster areas to make emergency (EM) loans available to producers suffering losses in those counties and in counties that are contiguous to a designated county. In addition to EM loan eligibility, other emergency assistance programs, such as Farm Service Agency (FSA) disaster assistance programs, have historically used disaster designations as an eligibility trigger.

#### TYPES OF DISASTER DESIGNATIONS

FSA administers four types of disaster designations:

- U.S. Department of Agriculture (USDA) Secretarial disaster designation;
- Presidential major disaster and Presidential emergency declaration;
- FSA Administrator’s Physical Loss Notification (APLN); and
- Quarantine designation by the Secretary under the Plant Protection Act or animal quarantine laws.

USDA Secretarial disaster designations must be requested of the Secretary of Agriculture by a governor or the governor’s authorized representative, by an Indian Tribal Council leader or by an FSA State Executive Director (SED). The Secretarial disaster designation is the most widely used and its process is the most complicated of the four. An expedited process for drought was introduced in 2012. The general process and the expedited process are described in further detail under “**Secretarial Disaster Designation Process.**”

Presidential major disaster declarations, which must be requested of the President by a governor, are administered through the Federal Emergency Management Agency (FEMA). A Presidential major

disaster declaration can be made within days or hours of the initial request. FEMA immediately notifies FSA of the primary counties named in a Presidential declaration.

An FSA APLN is for physical losses only, such as a building destroyed by a tornado. Livestock-related losses are considered physical losses. An APLN is requested of FSA’s Administrator by an FSA SED.

A quarantine designation is requested of the Secretary of Agriculture by an FSA SED. A quarantine designation authorizes EM loans for production and physical losses resulting from quarantine.

#### WHAT DOES A DISASTER DESIGNATION SPECIFY?

A disaster designation specifies:

- The disaster that resulted in the designation;
- The incident period (dates) of that disaster; and
- The specific counties included in the designation.

#### SECRETARIAL DISASTER DESIGNATION PROCESS

In 2012, USDA streamlined the Secretarial disaster declaration process to reduce paperwork and documentation requirements at the local FSA level, making the process more efficient and timely for agricultural producers. The program improvements included Fast Track Secretarial disaster designations for severe drought, which provide for a nearly automatic designation when, during the growing season, any portion of a county meets the D2 (Severe Drought) drought intensity value for eight consecutive weeks or a higher drought intensity value for any length of time as reported in the U.S. Drought Monitor (<http://droughtmonitor.unl.edu/>).

For all other natural disaster occurrences, including drought conditions that do not trigger a Fast Track designation, the county must have a 30 percent production loss of at least one crop or a determination must be made by surveying producers that other lending institutions will not be able to provide

emergency financing. The process for those Secretarial disaster designations is described below.

## **PROCESS**

### **STEP 1**

The governor, Indian Tribal Council leader or FSA SED makes a request in writing to the Secretary of Agriculture within three months of the ending date of the disaster.

### **STEP 2**

FSA county offices assemble required agricultural loss information for the Loss Assessment Report.

### **STEP 3**

The County Emergency Board reviews the Loss Assessment Report and makes a recommendation to approve, defer or reject the request.

### **STEP 4**

The State Emergency Board reviews the request and the County Emergency Board's recommendation. The State Emergency Board's recommendation is submitted to FSA's national headquarters.

### **STEP 5**

FSA national headquarters reviews the loss information on the Loss Assessment Report, determines eligibility and prepares a package, including the letter of approval or disapproval, to be signed by the Secretary.

## **ELIGIBLE NATURAL DISASTERS**

Eligible natural disasters are disasters in which damaging weather conditions or other adverse natural occurrence phenomena have substantially affected farmers causing severe production losses. Eligible natural disaster conditions include, but are not limited to, drought, flooding, excessive rain and humidity, severe storms, lightning, hail, mudslides and landslides, snow, ice, blizzards, frost, freeze, below-normal temperatures, wind, tornadoes, hurricanes, typhoons, tropical storms, fire, excessive heat, volcanoes, pests and disease.

## **FSA PROGRAMS INITIATED BY DESIGNATIONS AND/OR DECLARATIONS**

All four types of designation (Secretarial disaster designations, Presidential disaster declarations, APLNs and quarantine designations) immediately

trigger the availability of low-interest FSA EM loans to eligible producers in all primary and contiguous counties. More information about EM loans is available at [www.fsa.usda.gov/programs-and-services/farm-loan-programs/emergency-farm-loans/index](http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/emergency-farm-loans/index).

FSA borrowers located in designated disaster areas or contiguous counties, who are unable to make their scheduled payments on any debt, may be authorized to have certain set asides. Under Section 331A of the Consolidated Farm and Rural Development Act, FSA is authorized to consider setting aside certain payments owed by FSA borrowers to allow the operation to continue.

Additional disaster assistance requiring a designation may also be provided by new programs in the future.

## **REGULATION GOVERNING DISASTER DESIGNATION PROCESS**

The regulation governing disaster designations is at 7 CFR Part 759. The rule was published in the Federal Register on July 13, 2012, at [www.gpo.gov/fdsys/pkg/FR-2012-07-13/html/2012-17137.htm](http://www.gpo.gov/fdsys/pkg/FR-2012-07-13/html/2012-17137.htm).

## **FOR MORE INFORMATION**

This fact sheet is for informational purposes only; other restrictions may apply. For more information about FSA disaster programs, visit <http://disaster.fsa.usda.gov> or contact your local FSA office. To find your local FSA office, visit <http://offices.usda.gov>.

*In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.*

*Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.*

*To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by:*

- 1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410;
- 2) fax: (202) 690-7442; or
- 3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

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# Whole-Farm Revenue Protection

Revised August 2017

## Whole-Farm Revenue Protection

Whole-Farm Revenue Protection (WFRP) provides a risk management safety net for all commodities on the farm under one insurance policy. This insurance plan is tailored for any farm with up to \$8.5 million in insured revenue, including farms with specialty or organic commodities (both crops and livestock), or those marketing to local, regional, farm-identity preserved, specialty, or direct markets.

### Availability

WFRP is available in all counties in all 50 states.

### Causes of Loss

WFRP provides protection against the loss of insured revenue due to an unavoidable natural cause of loss which occurs during the insurance period and will also provide carryover loss coverage if you are insured the following year. See the policy for a list of covered causes of loss.

### Important Dates

#### Sales Closing, Cancellation, & Termination Dates

Calendar Year and Early Fiscal Year Filers.....  
January 31, February 28, or March 15 (by county)  
Late Fiscal Year Filers.....November 20

#### Revised Farm Operation Report Dates

All Filers .....July 15

**Contract Change Date** .....August 31

Talk to your crop insurance agent about the dates that apply for your county.

### Insurance Period

Coverage is provided for the duration of the producer's tax year (the insurance period). The insurance period is a calendar year if taxes are filed by calendar year, or a fiscal year if taxes are filed by fiscal year.

### Reporting Requirements

**Revenue Losses** - You must submit a notice of loss within 72 hours after discovery that revenue for the policy year could be below the insured revenue. Inspections may be required for losses. You must have filed farm taxes for the policy year before any claim can be made. You must make claims no later than 60 days after the date you submit farm tax forms to the Internal Revenue Service (IRS). Claim payments for a revenue loss under WFRP are paid within 30 days after the determination of a payment due as long as you are in compliance with the policy.

### Coverage

WFRP protects your farm against the loss of farm revenue that you earn or expect to earn from:

- Commodities you produce during the insurance period, whether they are sold or not;
- Commodities you buy for resale during the insurance period; and
- All commodities on the farm except timber, forest, and forest products; and animals for sport, show, or pets.

The policy also provides replant coverage:

- For annual crops, except those covered by another Federal crop insurance policy;
- Equal to the cost of replanting up to a maximum of 20 percent of the expected revenue; and
- When 20 percent or 20 acres of the crop needs to be replanted.

The approved revenue amount is determined on your Farm Operation Report and is the lower of the expected revenue or your whole-farm historic average revenue. Coverage levels range from 50 percent to 85 percent. Catastrophic Risk Protection (CAT) coverage is not available.

The number of commodities produced on the farm are counted using a calculation that determines:

- If the farm has the diversification needed to qualify for the 80 and 85 percent coverage levels (there is a 3 commodity requirement);
- The amount of premium rate discount you will receive due to farm diversification; and
- The subsidy amount. Farms with 2 or more commodities will receive a whole-farm subsidy and farms with one commodity will receive a basic subsidy.

You can buy WFRP alone or with other buy-up level (additional coverage) Federal crop insurance policies. When you buy WFRP with another Federal crop insurance policy, the WFRP premium is reduced due to the coverage provided by the other policy. If you have other Federal crop insurance policies at catastrophic coverage levels you do not qualify for WFRP.

WFRP ‘insured revenue’ is the total amount of insurance coverage provided by this policy. Your crop insurance agent and approved insurance provider determine the farm’s ‘approved revenue’ using the following information:

- Whole-Farm History Report;
- Farm Operation Report;
- Information regarding growth of the farm; and
- The coverage level you choose (50-85 percent) multiplied by the approved revenue is the insured revenue amount.

Coverage Level	Commodity Count (Minimum Required)	Maximum Farm Approved Revenue
85	3	\$10,000,000
80	3	\$10,625,000
75	1	\$11,333,333
70	1	\$12,142,857
65	1	\$13,067,923
60	1	\$14,166,167
55	1	\$15,454,545
50	1	\$17,000,000

The Commodity Count in the table above is a measure of the farm’s diversification, determined by the policy. The calculation determines the minimum proportion of revenue a commodity must contribute to the farm to be considered a commodity for WFRP. A farm’s revenue would be evenly distributed if an equal percentage of revenue came from each commodity produced, for example, 25 percent from corn, 25 percent from soybeans, 25 percent from spinach, and 25 percent from carrots. The minimum proportion to be considered a countable commodity is one-third of that amount. In this example, for corn, soybeans, spinach, or carrots to each county, each commodity would have to make up at least 8.3 percent of the total revenue of the farm to count as a commodity under WFRP. Commodities with revenue below the minimum will be grouped together in order to recognize farm diversification (this will make the commodity count higher). The Maximum Farm Approved Revenue represents the maximum approved revenue for a farm to be eligible for WFRP given the \$8.5 million maximum liability allowed.

### Eligibility

Eligibility for WFRP coverage requires you to:

- Be eligible to receive Federal benefits;

- Be a U.S. citizen or resident;
- File either a Schedule F tax form or other farm tax form that can be converted to a Substitute Schedule F for a specified number of years (see information you provide below);
- Have no more than \$8.5 million in insured revenue, which is the farm revenue allowed to be insured under the policy multiplied by the coverage level you select (see table above)
- Have no more than \$1 million expected revenue from animals and animal products;
- Have no more than \$1 million from greenhouse and nursery;
- Have no more than 50 percent of total revenue from commodities purchased for resale;
- Have ‘buy-up’ coverage levels on any Federal crop insurance plans you choose in addition to the WFRP insurance plan.
- Meet the diversification requirements of the policy by having two or more commodities if a commodity you are raising has revenue protection or actual revenue history insurance available; and
- Meet the diversification requirements of the policy by having two or more commodities if there are potatoes on the farm.

### Information You Provide

There are certain documents you must provide to your crop insurance agent to get Whole-Farm Revenue Protection insurance. For the Whole-Farm History Report you must provide:

- 5 consecutive years of Schedule F or other farm tax forms (it must be possible to complete a Substitute Schedule F form if you filed farm tax forms other than Schedule F). For the 2018 policy year, tax forms from 2012-2016 are required except:
  - ◊ If you qualify as a Beginning Farmer or Rancher (BFR) under our procedures, you may qualify with 3 consecutive years of Schedule F or other farm tax forms if you also farmed during the past year (it must be possible to complete a Substitute Schedule F form if you filed farm tax forms other than Schedule F). For the 2016 insurance year, tax forms from 2012-2014 are required and you also must have farmed during 2015;
  - ◊ If you were physically unable to farm for 1 of the 5 required historic years but were farming the past year, you may qualify; or
  - ◊ If you are a tax exempt entity (such as a Tribal entity) and have acceptable third party records available that can be used to complete Substitute Schedule F tax forms for the 5 year history.

# ADDITIONAL RESOURCES...

## Online Resources:

- “Advanced Cultivation Tools for Walk-Behind Tractors”  
<https://projects.sare.org/project-reports/fne17-878/>
- Farmer to Farmer Podcast Episode 117: “Jason Weston of Joe’s Gardens on Two-Wheel Tractor Cultivation, the End of Hand Weeding, and Farming for 120 Years”  
<http://www.farmertofarmerpodcast.com/episodes/weston>

## Want to Search for More?

WSU Publications: <https://pubs.wsu.edu>

WSU Extension: <https://extension.wsu.edu>

The Cascadia Grains Conference is presented by WSU Food Systems

Working to bring together farmers, bakers, brewers, distillers, brokers, investors, researchers and others in an effort to enhance the local food economy by sharing the latest science, techniques, and developments for niche-grains in the Cascadia region. Holding a space for new business, policy, and research relationships to form and existing ones to be strengthened.

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# Food Systems

WASHINGTON STATE UNIVERSITY



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WSU FOOD SYSTEMS is a program of the  Center for Sustaining Agriculture & Natural Resources