

Cultivated Insights

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Fall 2025

Fall Farm Visits

We will be by to see you soon for small grain updates. We will have quotes prepared and apps ready to sign when we come by. We understand this is a busy time of year and really appreciate the time you take to go over your coverage and changes to your policies. If anything has changed in your operation, this is the time to let us know. A few examples may include forming a new entity, getting married or divorced, planning to raise a fall crop that we do not have covered on your policy, or picking up land in another county.

Our fall visit will be an opportunity to knock out wheat production as well, if you have it together. Most producers are on enterprise by county, so a total bushel by county will suffice if you choose to stay on enterprise units for 2026.

We have a few people that have been raising triticale for a few years. In some counties it is insurable for 2026. Please let us know if you are raising it, and we will check to see if you can insure it. The deadline to make changes to small grains is September 30. If you raise annual rye for grain, it can also be insured with a mechanism known as a written agreement. Let us know if this applies to you.

The fall sales season is an enjoyable time of year for us. It is always fun to see good crops, and for the most part the spring-planted grain crops look good at this point. The best part of all is getting to catch up with our customers and see how they are doing. We'll see you soon!

All procedures mentioned in this newsletter are based off of policy and procedures published by RMA at the time of writing. RMA is subject to make changes or clarifications to any policy through published Managers' Bulletins or FADs at any time.

Three Things Farmers Need To Know About the Budget Bill's Impact on Crop Insurance and Farm Programs

The latest budget reconciliation package allocates over \$60 billion in funding for farm programs over the next decade (2025-2034) — the largest increase in farm funding since 2002.

While a fraction of the One Big Beautiful Bill Act, it encompasses a range of agricultural policies and provisions for farmers, leading some in the sector to call the new budget reconciliation package the “Mini Farm Bill” or “Farm Bill Lite.”

Since House Resolution 1 was signed into law on July 4, 2025, farmers and ranchers are evaluating what it means for their risk management and insurance programs.

Here are three key implications farmers need to know:

1. Enhancements to Crop Insurance: The bill introduces expanded crop insurance coverage and access.

a. Supplemental Coverage Option (SCO):

- Now available to ARC enrollees
- Coverage expanded to 90% of expected revenue, up from 86% (starting in 2027)
- SCO, ECO, MCO, HIP-WI and FIP-SI will all receive subsidy support, increased from 65% to 80%. ECO will have 86%-95% coverage available an 80% subsidy for the 2026 crop year; this covers the gap year before SCO 90% is available.

b. Buy-Up Coverage Subsidies: Subsidy rates for yield and revenue policies increase by 3%-5%, depending on coverage levels.

Premium Subsidy Rates by Coverage Level								
	50%	55%	60%	65%	70%	75%	80%	85%
Optional Unit	67%	69%	69%	64%	64%	60%	51%	41%
Basic Unit	67%	69%	69%	64%	64%	60%	51%	41%
Enterprise Unit	80%	80%	80%	80%	80%	80%	71%	56%

c. Support for Beginning Farmers: The definition of a beginning farmer or rancher (BFR) expands from five to ten years, with additional premium support provided during the early years of farming on top of current subsidy support.

- Individuals have until November 30, 2025, to submit new BFR applications for 2026 policies that have sales closing date on or before November 30, 2025 (i.e., winter wheat and livestock endorsements).

d. Whole Farm Revenue Protection (WFRP): Top coverage level increased from 85% to 90% with no decrease in subsidy rate.

2. Expanded Safety Net Protection Through ARC and PLC Programs: The bill updates enrollment eligibility, crop reference prices and support levels for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs.

a. Adjusted Gross Income (AGI) Exemptions: Farmers deriving at least 75% of their AGI from farming, ranching or related activities are exempt from the \$900,000 AGI limitation for Farm Service Agency (FSA) program eligibility.

b. Increased Base Acres: Up to 30 million new base acres can now be allocated based on covered and non-covered commodity planting history (2019-2023), allowing more farmers to enroll in these programs.

c. Higher Revenue Guarantees: ARC guarantees now cover 90% of benchmark revenue (up from 86%), and the payment cap has increased to 12% (up from 10%).

d. PLC Reference Price Increase: PLC reference prices for commodity crops have increased by 10%-20%, and Effective Reference Price calculations have changed to 88% of the five-year Olympic Marketing Year Average (from 85%).

e. Automatic Payments for 2025: For the 2025 crop year, farmers will automatically receive the higher of ARC or PLC payments, regardless of previous elections.

3. Adjusted Payment Limits and Business Structures: The bill includes changes to the payment limits for FSA safety net programs, Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs.

- a. Higher Payment Limits:** The maximum amount of money a single person or entity can receive under certain commodity programs in a single year has been raised from \$125,000 to \$155,000.
- b. Expanded Passthrough Entity Eligibility:** S-Corps and LLCs are now treated as passthrough entities, with payment limits based on the number of first-level owners.
- c. Inflation Adjustment:** This new \$155,000 limit will be adjusted annually for inflation using the Consumer Price Index for All Urban Consumers (CPI-U). This means the limit will automatically increase over time to keep pace with rising costs and maintain the real value of the assistance provided to farmers.

The provisions for farmers are numerous. Additional notable changes include:

- **Livestock Indemnity Program (LIP):** Adds payouts for unborn livestock and introduces new payment categories for losses due to weather, disease or predation.
- **Livestock Forage Program (LFP):** Updates drought-related payment triggers, changes the severity of a D2 drought that triggers payments and the amount of the payments received.
- **Dairy Margin Coverage (DMC):** Expands Tier 1 coverage limits from 5 million to 6 million pounds of milk production per farm and updates enrollment criteria to reflect recent production years (2021-2023).

What farmers and ranchers should do to prepare

The USDA will begin rolling out many of these changes starting with the 2025 crop year, with program payments beginning in October 2026. To prepare for changes and maximize the benefits, we are encouraging all farmers to:

- Review CCC-902 forms with FSA to ensure eligibility under new rules.
- The Act includes several tax provisions that could impact farmers — Consult a tax professional to maximize deductions and exemptions.
- Update conservation plans and practices as needed.
- Explore expanded crop insurance options for 2026.

By proactively reviewing eligibility requirements and exploring expanded insurance options, farmers can position themselves to fully leverage the benefits of this legislation. It is good practice to review your insurance coverages considering the new provisions or before making any investment changes.

FSA Distributes the Supplemental Disaster Relief (SDRP) and E-Cap Programs

On December 21, 2024, federal legislation was passed known as the American Relief Act, 2025, which authorized \$30.78 billion for agriculture disaster assistance. Those funds are being distributed to farmers under the E-Cap program and the SDRP program. Approximately \$10 billion of the funds are being distributed on a per-acre basis, with some of those funds having gone out in spring 2025. Additional funds are scheduled to be distributed in October 2025 so that the entire \$10 billion will be distributed.

SDRP has \$16.09 billion allocated to disaster assistance on a case-by-case basis. The original round of payments has already been distributed and was intended to “top up” any losses that occurred in 2023 and 2024 to a higher level based on the crop insurance that a producer had purchased. This original payment, Stage 1, has been and is currently being issued at 35% of the calculated amount. Stage 2 will take place soon and should generate payments to those that had shallow losses but losses that weren’t deep enough to create a crop insurance or NAP payment or that were uninsured. It is highly likely that, much like E-Cap, an additional round of payments will happen by the end of the year after the Phase 2 payments, depleting the \$16.09 billion that was allocated.

Finally, the remainder of the American Relief Act funds are being directed to cattle producers. If you suffered any losses in 2023 or 2024, be sure to contact your FSA office to determine if you are eligible for a payment.

Direct Deposit for Speedy Claims Payment

We are constantly trying to figure out how we can better serve our customers as well as be more efficient in doing so. We feel like direct deposit is the fastest way to get a claim check directly to your bank account. We understand in some cases when a lender has an assignment of indemnity on the policy, we cannot facilitate it.

If you would like to be set up for direct deposit, it is very simple. All we need is the name of the financial institution and the city and state they are located in. Please provide the account and routing number, a voided check and a signed direct deposit form. Please let us know if you would like to switch to direct deposit, and we will get it taken care of.

Reporting Claims

Now that we are getting closer to harvest, turning in claims can get overlooked. This year has been extremely wet in some areas and dry in others. With that, we still want to remind everyone that reporting a claim is the farmer's responsibility, and it is very important that if your crop receives any type of damage that you call your agent so that a claim can be opened. Opening a claim assures the farmer that if there is a yield loss, a claim will be worked. Keep in mind, even though you come in above your guarantee, there could be a revenue loss with lower commodity prices. There are no disadvantages to opening a claim, APH (actual production history) is not affected just by opening a claim. Farmers with open claims that end up with no payable loss — those claims end up being withdrawn.

Reporting damage of crops helps paint a picture of the damage that has occurred during the growing season, making it easier for the claims to be paid. With this year's excess rain and tropical depression Chantal, painting that picture will not be difficult but still must be accomplished. Damage should be reported within 72 hours of your initial discovery of damage or loss of production (but no later than 15 days after the end of the insurance period, even if you have not harvested the crop). (Basic Provisions). Claims cannot be made 60 days past harvest or the EOIP (end of insurance period). December 10th is the end of the insurance period for corn and beans. If you think you will have crops in the field past the EOIP, it is important that you get a claim opened.

As a reminder, anytime you want to put your crop to an alternate use other than harvesting it (silage, rolling for hay, etc.), you need to call your agent prior to doing so. An appraisal and consent to put the crop to another use are required from an adjuster so that production can be established. If there is any chance that you think you may have a yield loss due to an insurable cause of loss, it needs to be reported and a claim opened so that you do not miss out on any payment that is owed to you. As a rule, turn in a claim unless the crop is near perfect.

Acceptable Production Records

Production and load records are valuable information for all farming operations to keep. There are guidelines for both that need to be maintained so that they are verifiable for a claim or potential audit. It is recommended to keep production by Farm Serial Number (FSN) and a must if you are on optional units (FSN's insured separately) or interested in switching to optional units. Production records can come in many forms, such as:

- Sold/Commercial Storage Records
- Field Harvest Records
- Farm Stored Records
- Feeding Records
- Pick Records
- Sales Records
- Automated Yield Monitoring System Records
- Signed Appraisals

Records must have specific information on the documentation to help make it acceptable. Each production record type has a little different information required, but here is a good general description.

- Name
- Crop
- FSN
- Quantity/Weight
- Date of harvest

Load records (number of combine bin dumps or number of truckloads)

- Name
- Crop
- Number of loads
- FSN
- Date
- Number of bushels one load is equal to

2026 Fall Crop Final Plant Dates and Late Planting Dates (NC)

2026	WHEAT		OATS		BARLEY	
NORTH CAROLINA	Final planting date	Final late planting date	Final planting date	Final late planting date	Final planting date	Final late planting date
Alamance	10-Nov	25-Nov	31-Oct	15-Nov	31-Oct	15-Nov
Alexander	31-Oct	15-Nov	15-Oct	30-Oct	15-Oct	30-Oct
Anson	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Burke	31-Oct	15-Nov	15-Oct	30-Oct	15-Oct	30-Oct
Cabarrus	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Caldwell	31-Oct	15-Nov	15-Oct	30-Oct	15-Oct	30-Oct
Caswell	10-Nov	25-Nov	31-Oct	15-Nov	31-Oct	15-Nov
Catawba	31-Oct	15-Nov	31-Oct	15-Nov	15-Oct	30-Oct
Chatham	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Cleveland	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Cumberland	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Davidson	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Davie	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Durham	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Edgecombe	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Forsyth	10-Nov	25-Nov	31-Oct	15-Nov	31-Oct	15-Nov
Franklin	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Granville	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Guilford	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Halifax	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Harnett	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Iredell	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Johnston	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Jones	30-Nov	15-Dec	10-Nov	25-Nov	*	*
Lee	20-Nov	5-Dec	31-Oct	15-Nov	*	*
Lincoln	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Montgomery	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Moore	20-Nov	5-Dec	31-Oct	15-Nov	*	*
Nash	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Orange	10-Nov	25-Nov	31-Oct	15-Nov	31-Oct	15-Nov
Person	10-Nov	25-Nov	31-Oct	15-Nov	31-Oct	15-Nov
Randolph	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Richmond	20-Nov	5-Dec	31-Oct	15-Nov	*	*
Robeson	30-Nov	15-Dec	10-Nov	25-Nov	*	*
Rockingham	10-Nov	25-Nov	31-Oct	15-Nov	15-Oct	30-Oct
Rowan	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Sampson	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Stanly	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Stokes	10-Nov	25-Nov	31-Oct	15-Nov	15-Oct	30-Oct
Surry	31-Oct	15-Nov	15-Oct	30-Oct	15-Oct	30-Oct
Tyrell	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Union	20-Nov	5-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Vance	20-Nov	5-Dec	31-Oct	15-Nov	*	*
Wake	30-Nov	15-Dec	31-Oct	15-Nov	31-Oct	15-Nov
Washington	30-Nov	15-Dec	10-Nov	25-Nov	*	*
Wilkes	31-Oct	15-Nov	15-Oct	30-Oct	15-Oct	30-Oct
Wilson	30-Nov	15-Dec	10-Nov	25-Nov	10-Nov	25-Nov
Yadkin	31-Oct	15-Nov	15-Oct	30-Oct	15-Oct	30-Oct

*** Late planting period for Fall Crops extends 15 days beyond the final plant date, with a 1% reduction in coverage per day during the late planting period. For Canola, a five day late planting period applies with a 3% reduction per day. (We have provided these dates for you above). ***The AR Reporting date for all Fall Crops is January 15, 2024 — this is the date we must have your signed AR with acres reported to our office. (Remember you must report to our office as well as FSA.) *Means crop is not covered except through *written agreement.

2026 Fall Crop Final Plant Dates and Late Planting Dates (VA, PA and SC)

2026	WHEAT		OATS		BARLEY	
VIRGINIA	Final planting date	Final late planting date	Final planting date	Final late planting date	Final planting date	Final late planting date
Albermarle	10-Nov	25-Nov	*	*	15-Oct	30-Oct
Alleghany	31-Oct	15-Nov	*	*	*	*
Augusta	31-Oct	15-Nov	*	*	15-Oct	30-Oct
Bedford	10-Nov	25-Nov	*	*	25-Oct	9-Nov
Bland	*	*	*	*	*	*
Botetourt	31-Oct	15-Nov	*	*	15-Oct	30-Oct
Campbell	10-Nov	25-Nov	25-Oct	19-Nov	25-Oct	9-Nov
Carroll	*	*	*	*	*	*
Charlotte	10-Nov	25-Nov	25-Oct	19-Nov	25-Oct	9-Nov
Craig	31-Oct	15-Nov	*	*	*	*
Floyd	*	*	*	*	*	*
Franklin	10-Nov	25-Nov	*SEE HALIFAX	*SEE HALIFAX	15-Oct	30-Oct
Grayson	*	*	*	*	*	*
Halifax	10-Nov	25-Nov	25-Oct	19-Nov	25-Oct	9-Nov
Henry	10-Nov	25-Nov	*	*	*	*
Lee	*	*	*	*	*	*
Louisa	10-Nov	25-Nov	*	*	25-Oct	9-Nov
Lunenburg	20-Nov	5-Dec	*	*	25-Oct	9-Nov
Mecklenburg	20-Nov	5-Dec	25-Oct	19-Nov	25-Oct	9-Nov
Montgomery	31-Oct	15-Nov	*	*	*	*
Patrick	10-Nov	25-Nov	*	*	*	*
Pittsylvania	10-Nov	25-Nov	*	*	25-Oct	9-Nov
Pulaski	*SEE WYTHE	*SEE WYTHE	*	*	*	*
Roanoke	31-Oct	15-Nov	*	*	*	*
Rockingham	31-Oct	15-Nov	*	*	15-Oct	30-Oct
Smythe	*	*	*	*	*	*
Southampton	25-Nov	10-Dec	*	*	*	*
Surry	25-Nov	10-Dec	*	*	5-Nov	20-Nov
Sussex	25-Nov	10-Dec	*	*	5-Nov	20-Nov
Tazwell	*	*	*	*	*	*
Washington	31-Oct	15-Nov	*	*	*	*
Wythe	31-Oct	15-Nov	*	*	*	*
PENNSYLVANIA	Final planting date	Final late planting date	Final planting date	Final late planting date	Final planting date	Final late planting date
Juniata	20-Oct	4-Nov	*	*	10-Oct	25-Oct
SOUTH CAROLINA	Final planting date	Final late planting date	Final planting date	Final late planting date	Final planting date	Final late planting date
Berkeley	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Chesterfield	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Clarendon	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Dillon	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Dorchester	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Horry	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Lee	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Marlboro	30-Nov	5-Dec	30-Nov	5-Dec	*	*
Sumter	30-Nov	5-Dec	30-Nov	5-Dec	*	*

*** Late planting period for Fall Crops extends 15 days beyond the final plant date, with a 1% reduction in coverage per day during the late planting period. For canola, a five-day late planting period applies with a 3% reduction per day. (We have provided these dates for you above). ***The AR reporting date for all Fall Crops is January 15, 2024 — this is the date we must have your signed AR with acres reported to our office. (Remember, you must report to our office as well as FSA.) *Means crop is not covered except through *written agreement.

Texting

Crop insurance has so many different tasks that need to be completed throughout the year that items can be easily overlooked and/or forgotten. We have sales closing dates, production reporting deadlines, acreage reporting deadlines, premium due dates, and the list goes on and on. As many of you have seen, we are now utilizing text messages to send reminders and quick messages to clients. These are coming from Gallagher and directly related to crop insurance. We can use text to send messages to all customers and prospects or individualize them to a specific group of farmers as needed. Our intended use for texting is for basic information, deadlines and reminders. They will not replace farm visits, and your agent is always available for questions or calls. Texting helps us get vital information to our farmers quickly and efficiently. If you prefer not to receive any of these texts and updates, please opt out by replying "stop," and we will have your name removed. We do not recommend this, as you may miss out on important information or details.

Tobacco QA

Most growers have seen high demand for their tobacco throughout the 2024 season, leading to very little tobacco being graded for quality adjustment. Over the next few weeks, we will all get a feel for how the demand for tobacco will be for the 2025 crop year. Some reports we have heard on some lower-stalk tobacco being sold seem positive for now. Since there has been an abundance of rain in most communities since tobacco was planted, we feel like a lot of the tobacco this year is going to come in fast. In cases where you are unable to keep up with harvest on some farms, remember quality adjustment is still available on lower-quality tobacco that may have started to waste away in the field before you could get to it. Below are the steps you will need to follow to receive the benefits of having your tobacco graded for quality adjustment.

First and foremost, a claim needs to be filed for a potential loss on the tobacco crop, and an adjuster must see the crop in the field or in the bale prior to the tobacco being sold or destroyed. The adjuster will need to inspect the crop and document that the cause of poor-quality tobacco is the result of an insured peril listed on your policy. It will help producers to turn in a claim as soon as he/she notices any potential of a poor-quality crop or a loss of yield to ensure that the adjuster is able to see the crop on a timely basis. The claim should be turned in prior to scheduling grading through TAGS.

Once the adjuster inspects and documents the quality of the crop, an appointment will need to be made with TAGS by contacting them at (855) 776-8570. Warehouse schedules and more information on TAGS can be found on their website at tobaccograding.com. Please remember to contact TAGS to schedule grading appointments at least three days prior to the tobacco being delivered to the warehouse. You will need to provide the type of your tobacco (flue-cured or burley), your preferred grading location, your address and telephone number, the county your tobacco was grown in, your farm serial number and your policy information. Your policy information would include your policy number and the approved insurance provider's name as well as your agent's name, agency, telephone number and, if available, email address.

Like recent years, Quality Adjustment will be determined using the Grade Discount Factor (GDF) from the chart in the Special Provisions (discount factors of 0.200, 0.400, 0.600 and **) **or** the Calculated Discount Factor (CDF). The CDF is determined by dividing the price received for a bale by the price election (\$2.30); then that number would be subtracted from 1.0 to get the discount factor. The lesser discount of the GDF or the CDF will be used.

Please understand that if you sell a bale for a price greater than or equal to the price election (\$2.30), you will not receive any quality adjustment.



Example 1

A 500-pound bale is graded B4GK and sells for \$1.20/lb.

GDF: Grade Discount Factor Chart — B4GK = 0.600 or (60% discount)

CDF: $\$1.20/\$2.30 = 0.522$, then $1.000 - 0.522 = 0.467$ or (46.7% discount)

In this example the CDF would be the lesser discount and be used in determining the production to count. The production to count would be 261 pounds.

Example 2

A 500-pound bale is graded X4KF and sells for \$0.90/lb.

GDF: Grade Discount Factor Chart — X4KF = 0.200 or (20% discount)

CDF: $\$0.90/\$2.30 = 0.39$, then $1.000 - 0.39 = 0.61$ or (61% discount)

In this example the GDF would be the lesser discount of 20%, and 20% would be used instead of 60% in determining the production to count. The production to count would be 400 pounds.

It is important to note that each bale graded by an AMS grader will be stamped. The assigned grade will not be valid if the AMS stamp has been removed or if the tobacco is not offered for sale or sold in the same packaging as presented to the AMS grader. Also, the tobacco must be delivered and sold at a recognized receiving station or through a warehouse that holds auctions for entities to bid on tobacco. For tobacco that is destroyed, the adjuster will advise you on the allowable ways to destroy the bales and must be present for the destruction. Please reach out to your agent as soon as possible if you plan to have some tobacco graded in order to be sure you don't miss any steps in the process.

QA Chart

Grade	DF	Grade	DF	Grade	DF
B4G	0.400	C4KL	0.200	N1XL	**
B5G	**	C4S	0.200	N1XO	**
B4GK	0.600	H6K	0.200	NO-G	**
B5GK	**	M4GK	0.600	P5F	0.200
B6K	0.200	M5GK	**	P4G	**
B5KF	0.400	N2	**	P5G	**
B6KF	**	N1BO	**	P5L	0.200
B5KL	0.400	N1GF	**	S-Scrap	**
B4KV	0.400	N1GG	**	X4G	0.400
B5KV	0.600	N1GL	**	X5G	0.400
B6KV	**	N1GR	**	X4GK	0.600
B5V	0.200	N1K	**	X4KF	0.200
C4G	0.600	N1KV	**	X4KL	0.200
C4GK	0.400	N1L	**	X4KV	0.400
C4KF	0.200	N1R	**		

*** Any production that due to insurable causes, is assigned the corresponding grade and will be considered to have zero market value. Such production will not be considered production to count if the production is destroyed in a manner acceptable to us. If you choose not to destroy such production, no adjustment will be made to production to count for quality.*

Production Reporting

Production reporting is one of the most important responsibilities a farmer has. Accurate yields help increase coverage on all crops. Verifiable records must be kept so that production figures entered on a production report can be proven if need be. If it is discovered that the production report is not accurate, then assigned yields may apply. If a producer is on optional units (farm by farm), then the assigned penalty combines all farms and makes one unit out of all the farms in the county for the current insurance year. This can take a producer that has good crops on some farms and bad crops on others and completely knock them out of a payable loss. Also, if losses were paid in the previous year and the previous year's production is in question on non-loss farms, the producer may owe some, if not all, of the indemnity back because all the farms in the county of the crop will be combined. Another penalty that will apply is that the yield in question will be replaced by 75% of the previous year's approved yield. We urge everyone to keep good verifiable records so yields on the production form can be proven. Please see the "Production Records" articles on how to maintain acceptable production and load records.

This year RMA made changes to the production reporting procedures that start with our 2026 wheat production reporting. If a producer decides to switch insurance agencies, he/she does not need to report production to the current agent as well as the new agent for the crop or crops that this may apply to. The 2025 crop year required the farmer to report production to both his/her previous agency and the new agency.

Apples and Peaches

Apple and peach crops seem to be very light this year. Late freeze, hail and the amount of rain this year have really done a number on the crops. This presents another opportunity for SCO and ECO to potentially pay again this year. In 2024 the expected area yield on apples was 521.6 bushels, with the final area yield coming in at 432.4 bushels. For SCO to trigger a payment, it must come in at less than 86% of that expected yield. With the final yield coming in at 432.4 apples, it comes in at 82.9%, triggering a payment. Assuming you're on a 60% base coverage level, you would have received an 11% payment on the SCO in 2024. SCO has triggered a payout four out of the last five years on apples and ECO, which just became available for the 25-crop year, paying out five of the last seven crop years. ECO is an area coverage level just like SCO but goes to 95% coverage level. SCO has triggered a payout on peaches three of the last four crop years, with ECO not being available. SCO and ECO will now jump to an 80% subsidy level for the 2026 crop, which is going to make both coverages much more affordable.

Another exciting change for the apple policy is the potential for enterprise units on apples. The enterprise unit requirements are 20 acres or 20% of your total crop on a second farm. Enterprise unit was not available for apples until the 2025 crop year. Your agent will

go over these changes with you at the fall update, and we'll see if it will be something that would be a fit for your operation. The benefit of enterprise units is more subsidy, which would allow for higher coverage levels at a lower premium.

The apple policy is based on the ability to stay on the fresh fruit option. To remain a fresh fruit producer, your operation must sell at least 50 percent of the total production in one of the four most recent crop years as a fresh apple, a number one quality or better. Remember deer apples do not count as fresh apple sales.

Going forward we ask that our producers have a copy of the previous year's sales tickets, a sales ledger and Schedule F or Apple Excise tax form to prove the apples were sold as fresh. We will get a copy of this when we come to update your policy in the fall. By going ahead and getting a copy of these documents, it will help eliminate having to go back multiple years to find the correct documentation. The sales tickets should have the variety, quantity sold and price per quantity, as well as the buyer's and seller's names and addresses on them. The VA Apple Excise Tax form or a Schedule F form from income taxes will back up the sales tickets and sales ledger.

Premium Billing

For the 2025 crop year, premiums will be due by the normal due date by crop to avoid any interest being added to your account. It seems that the benefit of interest being deferred for extra months from the COVID era is over for now. Please be aware of the due dates for each of your policies to avoid paying interest on your premium.

For our fall crops such as wheat, oats and barley, the premium was due July 31st to avoid any interest being charged. The termination date for fall crops is 09/30/2025. All fall crop premiums must be paid by this date to avoid losing coverage on any fall crops planted for the 2026 crop year.

The premium due date to avoid interest on your Pasture, Rangeland and Forage (PRF) policy is September 30. Keep in mind that the total amount of the premium will have to be paid by December 1st to avoid losing coverage on your PRF policy for the 2026 crop year. It is also important to remember that if your fall crop premium or PRF premium isn't paid by the sales closing date on spring crops, you will also be losing coverage on your spring-planted crops.

All spring crop premiums, such as corn, soybeans, grain sorghum, tobacco, etc., will be due by September 30th without any interest being charged. The total premium plus interest must be paid in full by the 2026 sales closing date (2/28/26 for NC, SC and 3/15/26 for VA) to avoid have your coverage canceled for the 2026 crop year.

Please keep all these dates in mind as fall approaches, and don't hesitate to give your agent a call if you have any questions or concerns about billing. We want to make sure you are aware of the due dates in hopes of helping you avoid any interest charges.

New Business

It's no secret that crops in Virginia and the Carolinas have been tough the last few years. Crop insurance has been crucial for farmers' operations. Gallagher has been here to help in these times, and we want to continue to be who you call on when disasters strike. Gallagher's crop practice wants your business and is humbly asking for your business. We are always looking for new opportunities and want to continue to expand our reach throughout the Virginias and the Carolinas. Here at Gallagher, we take pride in the customer service that we provide to our customers and prospects. Our goal is to make farm visits to all our customers each sales season. Giving in-person updates allows us to build relationships instead of just being another number. This also gives us the best opportunity to provide the correct coverage that fits your operation's needs. We spend a few months in the spring and fall on the road prospecting and looking for new business. During this time is when we can outwork our competition and learn about potential clients. We greatly appreciate potential leads from our current customers and encourage them as you are able. If you are unhappy with your current situation, please reach out to us for a second opinion. Anyone that is interested in talking or possibly switching, please give us a call. We want your business and want to be who helps during these tough crop years.

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