



Indian Country Priorities and Opportunities for the 2018 Farm Bill *Title XI: Crop Insurance*

Key Points and Recommendations

- Due to the high risk of agriculture and food production, especially in Indian Country, crop insurance products must cover tribal producers in unique ways. In addition, livestock producers in Indian Country must be afforded the same risk protection as crop producers as well as the same payment options since livestock production makes up a significant percentage of tribal food production.

Background Information and Context

Agricultural risk management is critical for producers, especially in Indian Country, not only from the production side, but also from legal, financial, marketing, labor, and regulatory standpoints. Managing these risks takes a lifetime of attention, focus, dedication, and assistance. Decades ago few options existed for most producers in terms of insurance coverage of risks associated with agricultural production, and most producers sought relief from Congress when disasters occurred. With the continuing development of crop insurance as an important tool of risk management and disaster mitigation, the 2018 Farm Bill must ensure that crop insurance products approved by the U.S. Department of Agriculture (USDA) are suitable for tribal food production systems.

Opportunities for Indian Country in the Crop Insurance Title

Parity for Indian Country Ag Production

- With more than 50 percent of the \$3.4 billion Indian Agriculture Industry being comprised of cattle, it is critical to design risk management products that meet the need. Currently there are few options available, and those that do exist require up-front premium payments (LFP, LRP). Simply changing the timing of premium payment to coincide with production would ease the burden of participation for Indian producers. Increasing the federal subsidy rate for this type of programs has also been demonstrated to incentivize participation and mitigate federal outlay in times of disaster.

RMA Study on Crop Insurance in Indian Country

- Require the Risk Management Agency (RMA) to conduct a study to ascertain the efficacy and applicability of the current crop insurance products as they relate to Indian Country agriculture production as indicated by the 2012 National Agricultural Statistics Service Ag Census. If that study reveals that either the specific crop insurance products or the general guidance documents of RMA do not adequately consider unique tribal production issues, a separate administrative guidance or notice should be issued by RMA to solve these concerns, and unique crop insurance products and crop insurance administration systems should be pursued.



Development of Crop Insurance for Traditional Foods and Livestock

- Encourage RMA to develop a unique crop insurance policy product designed to cover the production systems associated with tribal food products, tribal livestock, and traditional food systems. The production systems associated with such products should be recognized as Good Agricultural Practices (GAPs), and tribal producers should also be afforded the same opportunity to pay premiums upon the sale of the crop or livestock instead of making an upfront payment.

Tribal Producer Education Programs

- Ensure that at least 10 percent of all projects funded through RMA's Risk Management Education Program are focused on tribal producer risk management training needs and tribal food production systems and the unique risks associated with those systems.

Allow Tribal Insurance Companies to Insure Tribal Producers

- Engage AMERIND Risk, a 100 percent tribally owned and operated insurance provider, to begin the process of offering crop insurance products in Indian Country because it has significant experience offering and underwriting insurance needs in Indian Country and serves a national intertribal audience. The current crop insurance research, product development, and policy sales areas are not developed for, and do not adequately reach, smaller tribal producers. Many of these unique problems can be addressed by working directly with AMERIND Risk.

Appoint Tribal Producers to FCIC Board

- Consider appointing tribal producers to fill future vacancies on the Federal Crop Insurance Corporation (FCIC) Board and thereby ensure that every FCIC Board has at least one, if not more, tribal producers on the board whose role will be to address the unique issues associated with tribal production systems.

For more information, please contact: Colby D. Duren, *Policy Director and Staff Attorney*, at cduren@uark.edu.

This document is strictly for educational purposes only and does not constitute legal advice nor create an attorney/client relationship.

September 2017

