

## Save Our Small Farms Act of 2025

Federal crop insurance is a critical piece of the agricultural safety net. However, it only covers some operations in the country. Of the 1.9 million farms in the United States in 2022, just 19% were enrolled in crop insurance. Farmers who lack insurance may turn to limited disaster assistance programs or hope for ad hoc disaster relief from Congress.

The **Save Our Small (SOS) Farms Act of 2025** would address the lack of safety net available to vulnerable farmers unfairly shut out from traditional crop insurance. This legislation would address two essential safety net programs at USDA, the Non-Insured Disaster Assistance Program and the Whole Farm Revenue Protection Program and direct the agency to explore new avenues for recovery from extreme weather events.

### Non-Insured Disaster Assistance Program

- The Non-Insured Disaster Assistance Program (NAP) offers farmers the opportunity to purchase coverage for losses due to natural disasters in areas where crop insurance coverage is unavailable. Unfortunately, payouts from NAP are often delayed and insufficient, and many farmers use the program as an insurance policy rather than the backstop it truly is.

### Whole Farm Revenue Protection Program

- The Whole Farm Revenue Protection Program (WFRP) provides a risk management safety net for all commodities on the farm under one insurance policy, unlike traditional insurance which is purchased on a per-crop basis. However, burdensome paperwork requirements make it difficult for many small and mid-sized farms to access, and many insurance agents are not incentivized to sell WFRP policies.

### Extreme Weather Resiliency

- Climate change has created new challenges for Connecticut farmers. Summer droughts in 2022 forced dairy farmers to import hay from New York and Canada. In 2023, unseasonable frosts damaged over one thousand acres of farmland and resulted in losses of \$8.4 million. Devastating floods in July destroyed more than 2,000 acres of farmland and resulted in revenue losses of \$21 million. Following these extreme weather events, farmers need options that make them whole.

Specifically, the **SOS Farms Act** would:

- Help farmers who rely on NAP by lowering the cost of purchasing coverage, reducing paperwork burdens, and increasing payouts:
  - The NAP cap on indemnity payouts would be increased from \$300,000 to \$600,000.
  - The Farm Service Agency would be directed to improve data collection at the county level to improve the accuracy of payouts.
- Incentivize and assist farmers in moving to a true insurance policy under the Whole Farm Revenue Protection Program.
  - Farmers would be provided progressive NAP premium discounts over three years upon a commitment to purchase a Whole Farm policy.
- Make it easier for farmers to sign up for WFRP, increase the coverage offered by the program, and provide additional incentives opportunities to insurance companies and agents to sell WFRP policies.
  - Farmers would be allowed to submit 5 years of Schedule F tax returns in place of an itemized record of all crops being produced.
  - Crop insurance agents would receive better compensation to ensure this option is available to more farmers.
- Direct USDA to develop an index-based insurance policy that is more responsive to crop and income losses resulting from extreme weather.