

.....
(Original Signature of Member)

118TH CONGRESS
2D SESSION

H. R. _____

To amend the Federal Agriculture Improvement and Reform Act of 1996 and the Federal Crop Insurance Act with respect to transitioning producers from the noninsurance crop assistance program to whole farm revenue insurance.

IN THE HOUSE OF REPRESENTATIVES

Mrs. HAYES introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Federal Agriculture Improvement and Reform Act of 1996 and the Federal Crop Insurance Act with respect to transitioning producers from the noninsurance crop assistance program to whole farm revenue insurance.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Save Our Small Farms
5 Act of 2024”.

1 **SEC. 2. ADMINISTRATION AND OPERATION OF NON-**
2 **INSURED CROP ASSISTANCE PROGRAM.**

3 Section 196 of the of the Federal Agriculture Im-
4 provement and Reform Act of 1996 (7 U.S.C. 7333) is
5 amended—

6 (1) in subsection (a)(1)(C)—

7 (A) in the matter preceding clause (i), by
8 inserting “best facilitates” after “assistance
9 program that”;

10 (B) in clause (i)—

11 (i) by striking “best facilitates”; and

12 (ii) by striking “and” at the end;

13 (C) in clause (ii)—

14 (i) by striking “ensures”; and

15 (ii) by striking the period at the end
16 and inserting a semicolon; and

17 (D) by adding at the end the following:

18 “(iii) the expansion of crops listed on
19 the National Crop Table of the Farm Serv-
20 ice Agency with a local average market
21 price; and

22 “(iv) the voluntary graduation of pro-
23 gram participants to the whole farm rev-
24 enue insurance plan established under the
25 section 522(c)(7) of the Federal Crop In-
26 surance Act (7 U.S.C. 1522(c)(7)).”;

1 (2) in subsection (b), by amending paragraph
2 (4) to read as follows:

3 “(4) STREAMLINED APPLICATION PROCESS.—

4 “(A) IN GENERAL.—The Secretary shall
5 establish a streamlined process for the submis-
6 sion of records and acreage reports under para-
7 graphs (2) and (3) for—

8 “(i) diverse production systems, such
9 as those typical of urban production sys-
10 tems;

11 “(ii) other small-scale production sys-
12 tems; and

13 “(iii) direct-to-consumer production
14 systems, including—

15 “(I) reduced acreage report re-
16 quirements; and

17 “(II) allowing 2 reports so as to
18 accommodate a second, later acreage
19 reporting date.

20 “(B) ON-RAMP TO WHOLE FARM REVENUE
21 INSURANCE PLAN.—

22 “(i) IN GENERAL.—In the case of a
23 producer of diverse production systems de-
24 scribed in subparagraph (A)(i) that may be
25 eligible for the whole farm revenue insur-

1 ance plan established under section
2 522(c)(7) of the Federal Crop Insurance
3 Act (7 U.S.C. 1522(c)(7)), the Secretary,
4 acting through the Director of the Farm
5 Service Agency, shall establish a stream-
6 lined revenue-based option, designed to as-
7 sist such producer to, on a voluntary basis,
8 transition from the noninsured crop dis-
9 aster assistance under this section to the
10 whole farm revenue insurance plan.

11 “(ii) REQUIREMENTS.—The stream-
12 lined revenue-based option established
13 under clause (i) shall—

14 “(I) offer a premium discount of
15 25 percent for the first crop year that
16 a producer—

17 “(aa) certifies that the pro-
18 ducer will transition from non-
19 insured crop disaster assistance
20 under this section to the whole
21 farm revenue insurance plan es-
22 tablished under section 522(c)(7)
23 of the Federal Crop Insurance
24 Act (7 U.S.C. 1522(c)(7)) not

1 later than 3 years after the date
2 of the certification; and

3 “(bb) provides revenue his-
4 tory with respect to such crop
5 year;

6 “(II) offer a premium discount of
7 50 percent in the crop year succeeding
8 the crop year described in subclause
9 (I) if the producer—

10 “(aa) certifies that the pro-
11 ducer will transition from non-
12 insured crop disaster assistance
13 under this section to the whole
14 farm revenue insurance plan es-
15 tablished under section 522(c)(7)
16 of the Federal Crop Insurance
17 Act (7 U.S.C. 1522(c)(7)) not
18 later than 2 years after the date
19 of the certification; and

20 “(bb) provides revenue his-
21 tory with respect to such crop
22 year; and

23 “(III) offer a premium discount
24 of 50 percent in the crop year suc-

1 ceeding the crop year described in
2 subclause (II) if the producer—

3 “(aa) purchases insurance
4 under the whole farm revenue in-
5 surance plan established under
6 section 522(c)(7) of the Federal
7 Crop Insurance Act (7 U.S.C.
8 1522(c)(7)) not later than 1 year
9 after the date of the certification;
10 and

11 “(bb) provides revenue his-
12 tory with respect to such crop
13 year.

14 “(iii) TAX FORM SCHEDULE F.—The
15 Secretary shall accept the Internal Rev-
16 enue Service Tax Form Schedule F with
17 respect to a producer for purposes of es-
18 tablishing revenue history under clause (ii).

19 “(iv) REVENUE HISTORY SHARING.—
20 The Secretary shall submit to the Federal
21 Crop Insurance Corporation the revenue
22 history submitted to the Secretary pursu-
23 ant to clause (ii).

24 “(C) RULEMAKING.—Not later than 90
25 days after the date of the enactment of the

1 Save our Small Farms Act of 2024, the Sec-
2 retary shall issue regulations to ensure that
3 premium discounts under this paragraph are
4 only available to producers that comply with
5 this paragraph.”;

6 (3) in subsection (c), by adding at the end the
7 following:

8 “(5) NOTICE OF LOSS.—Producers of hand-har-
9 vested or rapidly-deteriorating crops may submit
10 losses of such crops to the Secretary after the 120-
11 hour period following such losses and be eligible for
12 assistance under this section.

13 “(6) APPRAISAL OF LOSS.—

14 “(A) IN GENERAL.—The Secretary shall
15 permit, when an appraisal of crop acreage is re-
16 quested (by a producer or determined necessary
17 by a State agricultural official or Farm Service
18 Agency State executive director) in a year that
19 a notice of loss is filed, particularly in cases
20 where a loss adjuster is not available within 72
21 hours of the notice, the following alternatives to
22 an in-person appraisal by a loss adjuster:

23 “(i) Remote appraisal, including time-
24 stamped photographs, drone footage, or
25 other technology applications.

1 “(ii) Appraisal by field office staff of
2 the Farm Service Agency with requisite
3 training, in conjunction with remote ap-
4 praisal.

5 “(B) TRAININGS.—For purposes of sub-
6 paragraph (A)(ii), the Secretary shall require
7 field office staff to attend a noninsured crop
8 disaster assistance appraisal training.”;

9 (4) in subsection (e)(3), by striking “65 per-
10 cent” and inserting “100 percent”;

11 (5) in subsection (i)(2)—

12 (A) in subparagraph (A), by striking
13 “and” at the end;

14 (B) in subparagraph (B), by striking the
15 period and inserting “; and”; and

16 (C) by adding at the end the following:

17 “(C) in the case of a limited resource, be-
18 ginning, veteran, or socially disadvantaged
19 farmers or rancher, or a farmer or rancher par-
20 ticipating in the revenue-based option estab-
21 lished by subsection (b)(4)(B), \$600,000.”;

22 (6) in subsection (k)(2)—

23 (A) by striking “or a veteran” and insert-
24 ing “a veteran”;

1 (B) by inserting “, or a farmer or rancher
2 participating in the revenue-based option estab-
3 lished by subsection (b)(4)(B)” before the pe-
4 riod at the end;

5 (7) in subsection (1), by amending paragraph
6 (3) to read as follows:

7 “(3) PREMIUM DISCOUNT.—The coverage made
8 available under this subsection shall be available to
9 limited resource, beginning, and socially disadvan-
10 taged farmers, as determined by the Secretary, and
11 veteran farmers or ranchers, and a farmer or ranch-
12 er participating in the revenue-based option estab-
13 lished by subsection (b)(4)(B), in exchange for a
14 premium that is 25 percent of the premium deter-
15 mined under paragraph (2).”; and

16 (8) by adding at the end the following:

17 “(m) DELIVERY.—The Secretary shall work with out-
18 reach and technical assistance providers, extension offices,
19 and State departments of agriculture to advertise non-
20 insured crop disaster assistance, particularly to limited re-
21 source, beginning, veteran, and socially disadvantaged
22 farmers and ranchers, and farmers and ranchers of di-
23 verse production systems eligible to participate in the rev-
24 enue-based option established by subsection (b)(4)(B).”.

1 **SEC. 3. WHOLE FARM REVENUE PROTECTION.**

2 Section 522(c) of the Federal Crop Insurance Act (7
3 U.S.C. 1522(c)) is amended—

4 (1) in paragraph (1)—

5 (A) in subparagraph (B), by striking
6 “and” at the end;

7 (B) in subparagraph (C), by striking the
8 period at the end and inserting “; and”; and

9 (C) by adding at the end the following:

10 “(D) increase participation by producers—

11 “(i) marketing direct-to-consumers;

12 “(ii) marketing through intermediated
13 sales in local and regional markets; or

14 “(iii) using farm identity-preserved
15 marketing.”; and

16 (2) in paragraph (7)—

17 (A) in subparagraph (B), by inserting “or
18 in combination with” after “in lieu of”;

19 (B) in subparagraph (C)—

20 (i) in the matter preceding clause (i),
21 by striking “may” and inserting “shall”;

22 (ii) in clause (i), by striking “or” at
23 the end;

24 (iii) by redesignating clause (ii) as
25 clause (iii); and

1 (iv) by inserting after clause (i) the
2 following:

3 “(ii) utilize a resource-conserving crop
4 rotation; or”;

5 (C) in subparagraph (D), by striking
6 “may” and inserting “shall”;

7 (D) by redesignating subparagraph (F) as
8 subparagraph (H); and

9 (E) by inserting after subparagraph (E)
10 the following:

11 “(F) MODIFICATIONS TO IMPROVE EFFEC-
12 TIVENESS FOR SPECIALTY CROPS AND DIVERSI-
13 FIED FARMS.—Not later than 180 days after
14 the date of enactment of the Save Our Small
15 Farms Act of 2024, the Corporation shall im-
16 plement the following modifications to the plan
17 developed under subparagraph (A):

18 “(i) Establish that Internal Revenue
19 Service Tax Form Schedule F shall be suf-
20 ficient for the establishment of historical
21 adjusted revenue, subject to the condition
22 that approved insurance providers may re-
23 quest additional verifiable records in cases
24 where there is documented evidence that

1 the farm tax records of the applicant are
2 incomplete.

3 “(ii) Prohibit an approved insurance
4 provider from adjusting the revenue guar-
5 antee after the approved insurance pro-
6 vider accepts the revised farm operation
7 report, unless the approved insurance pro-
8 vider, in coordination with the Risk Man-
9 agement Agency, identifies indicators of
10 potential fraud.

11 “(iii) Expand the option for signifi-
12 cantly less paperwork and recordkeeping to
13 producers with not less than \$1,000,000 in
14 gross revenue.

15 “(iv) Raise the limit on growth expan-
16 sion for all producers to the lower of—

17 “(I) 100 percent of historic rev-
18 enue; and

19 “(II) \$500,000.

20 “(v) Expand the diversification pre-
21 mium discount to apply to not fewer than
22 10 commodities.

23 “(vi) Moderate the impact of disaster
24 years by—

1 “(I) counting payments made
2 under the noninsured crop disaster as-
3 sistance program established by sec-
4 tion 196 of the Federal Agriculture
5 Improvement and Reform Act of 1996
6 (7 U.S.C. 7333); or

7 “(II) using an assigned yield
8 floor similar to the limitation de-
9 scribed in section 508(g)(6)(A)(i), as
10 determined by the Secretary.

11 “(vii) Increase agent incentives to
12 market whole farm revenue protection
13 by—

14 “(I) providing annual additional
15 administration and operating sub-
16 sidies, at a rate determined by the
17 Secretary, to approved insurance pro-
18 viders for any new whole farm revenue
19 policies written in a given year; and

20 “(II) with respect to a whole
21 farm revenue protection policy, requir-
22 ing approved insurance providers to
23 pay to the agent who sold that policy
24 an amount equal to the total adminis-

1 tration and operating subsidy earned
2 on that policy.

3 “(viii) Provide for additional edu-
4 cational and training opportunities to ap-
5 proved insurance providers and insurance
6 agents.

7 “(G) TRANSITION FROM NONINSURED
8 CROP DISASTER ASSISTANCE.—

9 “(i) PREVIOUS NAP-PURCHASES.—In
10 the case of a producer that participated in
11 noninsured crop disaster assistance under
12 section 196 of the Federal Agriculture Im-
13 provement and Reform Act of 1996 (7
14 U.S.C. 7333) in each of the 3 crop years
15 preceding the date of the enactment of this
16 subparagraph that enrolls in a whole farm
17 insurance plan under this paragraph for
18 the first crop year beginning after the date
19 of the enactment of this subparagraph, the
20 Corporation shall provide a premium dis-
21 count of 35 percent with respect to such
22 first crop year.

23 “(ii) ON-RAMP PARTICIPANTS.—In the
24 case of a producer that meets the require-
25 ments of subsection (b)(4)(B) of section

1 196 of the Federal Agriculture Improve-
2 ment and Reform Act of 1996 (7 U.S.C.
3 7333) and enrolls in a whole farm insur-
4 ance plan under this paragraph, the Cor-
5 poration shall provide a premium discount
6 of 30 percent with respect to the first year
7 in which such producer is so enrolled.”.

8 **SEC. 4. SINGLE INDEX INSURANCE POLICY.**

9 (a) IN GENERAL.—Section 522(c) of the Federal
10 Crop Insurance Act (7 U.S.C. 1522(c)) is amended by
11 adding at the end the following:

12 “(20) SINGLE INDEX INSURANCE POLICY.—

13 “(A) DEFINITIONS.—In this paragraph:

14 “(i) COVERED CROP OR COM-
15 MODITY.—The term ‘covered crop or com-
16 modity’ means any crop or commodity (in-
17 cluding a specialty crop) on a farm except
18 timber, forest products, animals for sport
19 or show, and pets.

20 “(ii) COVERED POLICY.—The term
21 ‘covered policy’ means the single index in-
22 surance policy described in subparagraph
23 (B)(i).

24 “(iii) COVERED WEATHER CONDI-
25 TION.—

1 “(I) IN GENERAL.—The term
2 ‘covered weather condition’ means any
3 of the following weather conditions
4 that are found to be closely correlated
5 with agricultural income losses:

6 “(aa) High winds.

7 “(bb) Excessive moisture
8 and flooding.

9 “(cc) Extreme heat.

10 “(dd) Abnormal freeze con-
11 ditions.

12 “(ee) Wildfire.

13 “(ff) Hail.

14 “(gg) Drought.

15 “(hh) Any other severe
16 weather or growing conditions
17 applicable to small-scale farmers,
18 as determined by the Secretary.

19 “(II) DATA.—The existence of a
20 weather condition described in sub-
21 clause (I) shall be determined by indi-
22 ces that prioritize using data from the
23 National Oceanic and Atmospheric
24 Administration, as available, but may
25 use other federally or State certified

1 weather data sources, public and pri-
2 vate satellite data, and weather and
3 climate data and models, if necessary,
4 as determined by the Secretary.

5 “(B) POLICY.—

6 “(i) IN GENERAL.—The Corporation
7 shall carry out research and development,
8 or offer to enter into 1 or more contracts
9 with 1 or more qualified persons to carry
10 out research and development, to develop a
11 single index policy to insure against agri-
12 cultural income losses due to 1 or more
13 covered weather conditions.

14 “(ii) COVERAGE.—Research and de-
15 velopment on the covered policy under
16 clause (i) shall require that coverage is
17 available in all 50 States (including Indian
18 Tribes), the District of Columbia, Amer-
19 ican Samoa, Guam, the Commonwealth of
20 the Northern Mariana Islands, the Com-
21 monwealth of Puerto Rico, and the Virgin
22 Islands of the United States.

23 “(iii) OPTION TO BUY-UP OR BUY-
24 DOWN.—

1 “(I) IN GENERAL.—Research and
2 development on the covered policy
3 under clause (i) shall consider permit-
4 ting a holder of the covered policy to
5 elect to buy-up to 150 percent, subject
6 to subclause (II), or buy-down to 5
7 percent, of the median county-level
8 adjusted gross income for farms, in 5-
9 percent increments, to reflect the in-
10 come of the individual farm business
11 of the holder insured under the cov-
12 ered policy.

13 “(II) LIMITATION.—A holder of
14 a covered policy may buy-up under
15 subclause (I) only if the farms of the
16 holder insured under the covered pol-
17 icy have at least 3 covered crops or
18 commodities.

19 “(iv) PRIORITY FEATURES OF POL-
20 ICY.—In carrying out research and devel-
21 opment on the covered policy under clause
22 (i), the following features may be given
23 priority:

24 “(I) Agricultural income losses
25 under the covered policy include—

1 “(aa) losses for all covered
2 crops or commodities; and

3 “(bb) losses to the value of
4 packing, packaging, or any other
5 similar on-farm activity that the
6 Corporation determines necessary
7 to remove a covered crop or com-
8 modity from the field.

9 “(II) Payments are made under
10 the covered policy not later than 30
11 days after the occurrence of a covered
12 weather condition in the county in
13 which the applicable farm of the farm-
14 er is located or an adjacent county.

15 “(III) Provision of seasonal cov-
16 erage periods.

17 “(IV) Provision of special consid-
18 eration to concerns facing individual
19 farm businesses—

20 “(aa) that have less than
21 \$350,000 in adjusted gross in-
22 come; and

23 “(bb) with respect to which
24 a farmer is an underserved pro-

1 ducer (as defined in section
2 508(a)(7)(A)).

3 “(V) Paperwork requirements are
4 reduced for farmers seeking to obtain
5 a covered policy.

6 “(v) CONSULTATION.—In carrying out
7 research and development on the covered
8 policy under clause (i), the Corporation—

9 “(I) shall hold stakeholder meet-
10 ings to solicit producer and agent
11 feedback; and

12 “(II) may consult with licensed
13 actuaries with experience developing
14 index policies insuring agricultural
15 production.

16 “(C) REPORT.—Not later than 1 year
17 after the date of enactment of this paragraph,
18 the Corporation shall make publicly available a
19 report that describes—

20 “(i) the results of the research and
21 development carried out under this para-
22 graph; and

23 “(ii) recommendations to Congress
24 with respect to those results, including—

1 “(I) any challenges to developing
2 the covered policy; and

3 “(II) options to address those
4 challenges.”.

5 (b) TECHNICAL AMENDMENT.—Section 531(a)(18)
6 of the Federal Crop Insurance Act (7 U.S.C. 1531(a)(18))
7 is amended by striking “section 2501(e) of the Food, Agri-
8 culture, Conservation, and Trade Act of 1990 (7 U.S.C.
9 2279(e))” and inserting “section 2501(a) of the Food, Ag-
10 riculture, Conservation, and Trade Act of 1990 (7 U.S.C.
11 2279(a)).”.