



## DEPARTMENT OF AGRICULTURE

### Federal Crop Insurance Corporation

### Risk Management Agency

[Docket No. FCIC-22-0003]

### Notice of Funding Availability; Transitional and Organic Grower Assistance

**AGENCY:** Federal Crop Insurance Corporation and Risk Management Agency, U.S. Department of Agriculture (USDA).

**ACTION:** Notification of funding availability.

**SUMMARY:** The Risk Management Agency (RMA), on behalf of the Federal Crop Insurance Corporation (FCIC), announces the availability of funding under the Transitional and Organic Grower Assistance (TOGA) Program. The TOGA Program aims to assist producers that transition to and continue using organic agricultural systems. To address the economic challenges that arose due to the COVID-19 pandemic, this crop insurance support to growers is a part of building more and better markets for American growers and consumers and increasing the resilience of the food supply chain. TOGA premium assistance will be applied to the premium billing statements for the 2023 reinsurance year, which covers applicable policies with sales closing dates from July 1, 2022, to June 30, 2023. For most eligible crops, the 2023 reinsurance year is also the 2023 crop year. However, a few crops are in the 2023 reinsurance year but cover a different crop year. Some examples include raisins, California avocados, macadamia nuts, and several citrus crops.

**FOR FURTHER INFORMATION CONTACT:** Francie Tolle; telephone: (816) 926-7829; email: [francie.tolle@usda.gov](mailto:francie.tolle@usda.gov). Persons with disabilities who require alternative means for communication should contact the USDA Target Center at (202) 720-2600 (voice) or (844) 433-2774 (toll-free nationwide).

## **SUPPLEMENTARY INFORMATION:**

### **Background**

This document specifies the terms and conditions of the TOGA Program. RMA, on behalf of FCIC, will administer the TOGA Program. The TOGA program aims to assist producers that transition to and continue using organic agricultural systems. To address the economic challenges that arose due to the COVID-19 pandemic, this crop insurance support to growers is a part of building more and better markets for American growers and consumers and increasing the resilience of the food supply chain. The TOGA Program provides the following benefits:

- For crops in transition to certified organic, premium assistance of an additional 10 percentage points of premium subsidy; and
- For organic grain and feed crops, an additional premium subsidy of up to \$5 per insured acre.

Funding is for crop policies for the 2023 reinsurance year. Funds from Division N of the Consolidated Appropriations Act, 2021, (Pub. L. 116-260) will be used for the TOGA Program.

These crop insurance incentives amplify and assist producers transitioning to organic agricultural systems as part of the Administration's commitment to climate-smart agriculture. The premium assistance will make crop insurance more affordable for growers as they transition to organic agricultural systems and continue to produce certified organic feed and grain crops. Participation in crop insurance provides assurance to banks for loans to help producers secure the funds they need to help pay operating costs.

For crops in transition, the premium assistance of an additional 10 percentage points of premium subsidy is similar to Beginning Farmer and Rancher and Veteran Farmer and Rancher benefits. Targeting crops in transition will help provide economic

stability for producers as they transition to certified organic. The 3-year transition period requires producers to farm organically, while receiving a conventional price for their crop despite employing organic practices.

For certified organic grain and feed crops, the premium assistance subsidy of up to \$5 per insured acre is consistent with the Pandemic Cover Crop Program. Growing demand for organic products is outpacing domestic supply. The United States is becoming reliant on imports, particularly for grain and feed. Targeting organic grain and feed crops offers an opportunity for increased production to meet growing demand. Increasing local supply for these products allows for a shift in demand for domestic products and away from imports.

Due to the complexity of Whole Farm Revenue Protection (WFRP) policies covering more than one crop and some crops being reported in different quantity measures, such as trees rather than acres, there is a separate benefit for WFRP of an additional 10 percentage points of premium subsidy.

## **Definitions**

*Approved Insurance Provider (AIP)* means a legal entity that has entered into a reinsurance agreement with FCIC for the applicable reinsurance year and is authorized to sell and service policies or plans of insurance under the Federal Crop Insurance Act.

*Crop insurance policy* means an insurance policy reinsured by FCIC under the provisions of the Federal Crop Insurance Act, as amended. It does not include private plans of insurance.

*Crops in transition* means crops eligible for the Federal crop insurance program and insured and reported under the organic transitional cropping practice.

*Crop year* means the period within which the insured crop is normally grown and is designated by the calendar year in which the insured crop is normally harvested.

*Eligible insured certified organic acres* means insured acres on which the producer reported a qualifying organic grain or feed crop for coverage during the 2023 reinsurance year.

*Eligible producer* means a producer meeting all the eligibility requirements for the TOGA Program.

*FCIC* means the Federal Crop Insurance Corporation, a wholly owned Government Corporation of USDA that administers the Federal crop insurance program.

*Insured acre(s)* means the participant's share of insurable acreage that is insured in accordance with a crop insurance policy purchased from an AIP.

*Organic grain and feed crops* means crops eligible for the Federal crop insurance program, insured and reported under the organic certified cropping practice including alfalfa seed, barley, buckwheat, canola, corn, cultivated wild rice, dry beans, dry peas, flax, forage production, forage seeding, fresh market sweet corn, grain sorghum, hybrid corn seed, hybrid popcorn seed, hybrid sorghum seed, hybrid sweet corn seed, millet, oats, crops insured under the Pasture, Rangeland, and Forage policy, peanuts, popcorn, rice, rye, safflower, sesame, silage sorghum, soybeans, sunflowers, sweet corn, triticale, wheat, and any other crop as determined by the RMA Administrator.

*Person* means an individual, partnership, association, corporation, estate, trust, or other legal entity, and wherever applicable, a State or a political subdivision or agency of a State. "Person" does not include any government agency or the U.S. Government.

*Reinsurance year* means the year beginning July 1 and ending on June 30 of the following year, identified by the year containing June.

*RMA* means the Risk Management Agency, USDA.

*TOGA* means Transitional and Organic Grower Assistance.

*USDA* means United States Department of Agriculture.

*WFRP* means Whole Farm Revenue Protection including the Micro Farm policy.

## **Eligibility for TOGA**

To be eligible for premium assistance under the TOGA Program, the participant must be a person who is eligible to receive Federal benefits and who has purchased a 2023 reinsurance year additional coverage crop insurance policy for crops in transition or a certified organic grain or feed crop.

The added premium assistance for the TOGA Program can be in addition to premium assistance received from any other premium subsidy assistance sources.

WFRP policies with crops in transition or certified organic practice crops are eligible for premium assistance of an additional 10 percentage points of premium subsidy. Eligible producers who have individual crop insurance policies for crops in transition or organic grain and feed crops in addition to their WFRP policy will receive the premium assistance on both the individual crop insurance policies and WFRP policy, as applicable.

Stacked Income Protection Plan (STAX) and Margin Protection (MP) policies are only eligible for TOGA when insured as a standalone crop insurance policy.

## **Ineligibility**

Participants who are in violation of Highly Erodible Land or Wetlands Conservation (16 U.S.C. 3811, 3812, and 3821) are not eligible for premium support under the TOGA Program.

Supplemental Coverage Option, Enhanced Coverage Option, Post-Application Coverage Endorsement, and Hurricane Insurance Protection - Wind Index options or endorsements are not eligible for TOGA.

STAX and MP endorsements to underlying policies are not eligible for TOGA.

## **Funding Available**

The total funding available for the TOGA Program is \$25 million. When the total premium support sum of \$25 million for the TOGA Program are reached or may be reached, the RMA Administrator may suspend the program at their sole discretion.

### **Calculating and Accounting TOGA Program Amounts**

For eligible 2023 reinsurance year crop insurance policies, for crops in transition, the TOGA Program will provide an additional 10 percentage points of premium subsidy, calculated on a total premium basis for the crops in transition, with a maximum equal to the amount of premium owed by the eligible producer. If the full amount under the TOGA Program would result in a negative premium balance for the producer, the TOGA Program amount will be limited to the full amount of premium owed.

For eligible 2023 reinsurance year crop insurance policies, for eligible insured certified organic acres, the TOGA Program will provide an additional premium subsidy of \$5 per insured acre, with a maximum equal to the amount of premium owed by the producer. Amounts under the TOGA Program are limited to the full amount of premium owed by the producer for the eligible insured certified organic acres. If the full amount under the TOGA Program would result in a negative premium balance for the producer on a per insured acre basis, the TOGA Program amounts will be limited to the full amount of premium owed on a per insured acre basis.

For eligible 2023 reinsurance year WFRP policies with crops in transition or certified organic practice, the TOGA Program will provide an additional 10 percentage points of premium subsidy, calculated on a total premium basis, with a maximum equal to the amount of premium owed by the eligible producer. If the full amount under the TOGA Program would result in a negative premium balance for the producer, the TOGA Program amounts will be limited to the full amount of premium owed.

All other Federal premium assistance will be applied before TOGA premium assistance. If the crop insurance policy is amended for any reason, such as overreporting,

the amount under the TOGA Program will be based on the crop insurance policy after any such amendment.

The amount under the TOGA Program will not be paid directly to participants but will be accounted for in calculating total producer premium due from producers for the crop and reflected in their premium bills, and as subject to the applicable premium billing date. All bills still follow the same terms and conditions specified in the crop insurance policy, regardless of the TOGA Program amounts.

The payment limitations in 7 CFR 760.1507 are not applicable to the TOGA Program.

TOGA premium support will be provided via premium billing adjustments on the applicable billing statements for crops in transition and organic grain or feed crops. RMA will use all necessary records provided by AIPs, including producer crop insurance forms to determine eligibility. The eligible producers do not need to provide any additional information to their crop insurance agent to enroll in the TOGA Program.

If any TOGA Program amount is determined to be incorrect, the amount will be recalculated until the applicable reinsurance year annual settlement date, unless otherwise specified by the RMA Administrator. After that date, the amount will be final except in cases of misrepresentation, fraud, scheme, or device.

### **Paperwork Reduction Act Requirements**

In accordance with the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, subchapter I), the notice does not change the information collection approved by OMB under control numbers 0563-0053.

### **Environmental Review**

The environmental impacts of this final rule have been considered in a manner consistent with the provisions of the National Environmental Policy Act (NEPA, 42 U.S.C. 4321–4347), the regulations of the Council on Environmental Quality (40 CFR

parts 1500–1508), and because USDA will be making the payments to producers, the USDA regulation for compliance with NEPA (7 CFR part 1b). As specified in 7 CFR 1b.4, FCIC is categorically excluded from the preparation of an Environmental Assessment or Environmental Impact Statement unless the FCIC Manager (agency head) determines that an action may have a significant environmental effect. The FCIC Manager has determined this notice will not have a significant environmental effect. Therefore, FCIC will not prepare an environmental assessment or environmental impact statement for this action, and this notice serves as documentation of the programmatic environmental compliance decision.

### **Federal Assistance Programs**

The title and number of the Federal assistance programs, as found in the Assistance Listing<sup>1</sup>, to which this document applies is 10.450 – Crop Insurance.

### **USDA Non-Discrimination Policy**

In accordance with Federal civil rights law and USDA civil rights regulations and policies, 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 or 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 (for example, braille, large print, audiotope, American Sign Language, etc.) should contact the responsible Agency or USDA TARGET Center at

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<sup>1</sup>See <https://sam.gov/content/assistance-listings>.

(202) 720-2600 or (844) 433-2774 (toll-free nationwide). 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 **<https://www.usda.gov/oascr/how-to-file-a-program-discrimination-complaint>** and at any USDA office or write a letter addressed to USDA and provide in the letter all 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 mail to: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or email: [OAC@usda.gov](mailto:OAC@usda.gov).

USDA is an equal opportunity provider, employer, and lender.

Marcia Bunker,  
Manager,  
Federal Crop Insurance Corporation; and  
Administrator,  
Risk Management Agency.

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