



H&B Agency - Fall Update

September 18, 2025

The passage of the One Big Beautiful Bill Act (OBBBA) on July 4, 2025, has resulted in important changes to the Federal Crop Insurance Act. These changes expand benefits for beginning farmers, increase coverage options, and seek to make crop insurance more affordable. The following sections of this newsletter focus on the Risk Management Agency's (RMA's) implementation of applicable sections of the OBBBA and the impact it may have on our insureds.¹ The newsletter also highlights the final commodity prices for September 2025 and additional insurance products now offered by H&B Agency LLC.

Expanded Benefits for Beginning Farmers or Ranchers (BFRs)

The definition of BFR² has been updated to include individuals who:

- *Have not actively operated and managed a farm or ranch in any state, with an insurable interest in a crop or livestock as an owner-operator, landlord, tenant, or sharecropper for more than 10 crop years.*

This expanded definition provides those who qualify with enhanced premium subsidies:

Enhanced Premium Subsidies by Crop Year	
Year(s)	Premium Subsidy Rate
Years 1-2	+15%
Year 3	+13%
Year 4	+11%
Years 5-10	+10%

If an individual's eligibility status has changed due to the updated BFR definition, they may submit a new or amended BFR application **on or before November 30, 2025** for benefits to apply for the 2026 crop year policies with a sales closing date (SCD) on or after July 1, 2025 and on or before November 30, 2025 including any livestock endorsements purchased on or before November 30, 2025. Any policy with a SCD after November 30, 2025, should submit their BFR by the applicable SCD.

¹ USDA - One Big Beautiful Bill Act Amendment: <https://www.rma.usda.gov/policy-procedure/bulletins-memos/managers-bulletin/mgr-25-006-one-big-beautiful-bill-act-amendment>

² Please note, the definition of or the benefits associated with being a Veteran farmer or rancher (VFR) has not changed. If a producer qualifies as both a BFR and a VFR, the higher benefit will apply.



Area Based Coverage Updates

Efforts to improve the affordability of area-based coverage options have been undertaken because of the OBBBA and include:

- Whole-Farm Revenue Protection (WFRP)
 - Policy will **increase the maximum insurable coverage level from 85 to 90 percent**. The 90 percent coverage level will have the same premium subsidy rates as the 85 percent coverage level.
- Supplemental Coverage Option (SCO)
 - The premium subsidy rate for the SCO option has **increased from 65 to 80 percent**.
 - Insureds can now **purchase SCO regardless of their Area Risk Coverage (ARC)** elections with the Farm Service Agency and will no longer need to report acreage for SCO the policy under which ARC is elected.
- Coverages Similar to SCO
 - For coverages similar to SCO, the **increased subsidy rate of 80 percent will also apply**. These coverages are the Enhanced Coverage Option (ECO), the Margin Coverage Option (MCO), the Hurricane Protection Wind Index (HIP-WI), and the Fire Insurance Protection Smoke Index (FIP-SI).

Premium Support

The OBBBA increases the premium subsidy rates for different insurance coverage and unit elections for policies that use the Common Crop Insurance Policy, Basic Provisions (CCIP). In some cases, subsidy rates are **increasing by as much as 5% across all levels**. The premium subsidy rates by coverage levels and unit types are illustrated in the table below.

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

**WFRP premium subsidy rates will be updated so that they are commensurate with similar levels of coverage under CCIP*



2025 Commodity Prices

Final Commodity Prices – September 2025

Commodity (Type)	Practice	State	Sales Closing Date	Projected Date Range	Contract Month	Board of Trade	Projected Price
Barley (Winter)	Conventional	CO	9/30	08/15 – 09/14	July	CBOT	\$4.2200
Barley (Winter)	Conventional	KS	9/30	08/15 – 09/14	July	CBOT	\$4.2200
Barley (Winter)	Organic	CO	9/30	08/15 – 09/14	July	CBOT	\$6.7000
Barley (Winter)	Organic	KS	9/30	08/15 – 09/14	July	CBOT	\$6.7000
Rye (Winter)	Conventional	NE	9/30	08/15 – 09/14	September	CBOT	\$6.3900
Rye (Winter)	Conventional	SD	9/30	08/15 – 09/14	September	CBOT	\$6.3900
Rye (Winter)	Organic	NE	9/30	08/15 – 09/14	September	CBOT	\$9.6200
Rye (Winter)	Organic	SD	9/30	08/15 – 09/14	September	CBOT	\$9.6200



Wheat (Winter)	Conventional	CO	9/30	08/15 – 09/14	September	KCBT	\$5.7500
Wheat (Winter)	Conventional	KS	9/30	08/15 – 09/14	July	KCBT	\$5.6100
Wheat (Winter)	Conventional	NE	9/30	08/15 – 09/14	September	KCBT	\$5.7500
Wheat (Winter)	Conventional	SD	9/30	08/15 – 09/14	September	KCBT	\$5.7500
Wheat (Winter)	Organic	CO	9/30	08/15 – 09/14	September	KCBT	\$11.1400
Wheat (Winter)	Organic	KS	9/30	08/15 – 09/14	July	KCBT	\$10.8700
Wheat (Winter)	Organic	NE	9/30	08/15 – 09/14	September	KCBT	\$11.1400
Wheat (Winter)	Organic	SD	9/30	08/15 – 09/14	September	KCBT	\$11.1400



Additional Products Available

H&B Agency LLC has partnered with Chubb, the leading insurer of irrigation equipment, to offer pivot insurance to our clients. Additionally, H&B also continues to offer Livestock Risk Protection (LRP) and Pasture Rangeland and Forage (PRF) policies. If you are interested in learning more, visit our website by scanning the QR code or visit hbcrop.com/solutions. We look forward to working with you as we continue to expand our insurance offerings.



Contact Information

H&B Agency LLC will continue to provide updates and answer any questions as additional information is made available by RMA. If you have any questions, please reach out to us at hbagency_77@hotmail.com or give us a call!

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