

Crop Insurance Options for Hemp



Presented by:
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Minnesota Industrial Hemp Forum
 State and Federal Financial and Technical Assistance
 February 11th, 2021

Where to Get Information?

- **Crop Insurance – APH & WFRP**

- Available through an Insurance Agent

- Agent Locator: <https://www.rma.usda.gov/Information-Tools/Agent-Locator-Page>

Important Links for Information

- <https://www.farmers.gov/manage/hemp>

- <https://www.ams.usda.gov/rules-regulations/hemp>

- <https://www.rma.usda.gov/>

- <https://www.fsa.usda.gov/>





Finding County Specific Information

- The RMA Actuarial Information Browser landing page at <https://webapp.rma.usda.gov/apps/actuarialinformationbrowser/> has the following information at the county level:
 - Insurable Types and Practices
 - Prices
 - T-Yields
 - Dates
 - Premium Rates
 - Special Provisions of Insurance





Risk Management Agency

Actual Production History Hemp

Fact Sheet
February 2020

Crop Insured

Hemp is insurable if:

- You have a share in the crop;
- You have at least one year of history producing the crop;
- It is a type listed in the actuarial documents;
- Premium rates are provided by the actuarial documents;
- It is grown under a processor contract executed by the applicable acreage reporting date;
- It is grown under an official certification or license issued by the applicable governing authority that permits production of the hemp;
- It is planted for harvest as hemp in accordance with the requirements of the processor contract and production management practices of the processor; and
- It is planted to an adapted variety and not a variety prohibited by the applicable governing authority. Refer to the Hemp Crop Provisions.

Causes of Loss

- Adverse weather conditions, including natural perils such as drought and excess precipitation;
- Earthquake;
- Failure of the irrigation water supply, if caused by an insured peril during the insurance period;
- Fire;
- Insects and plant disease, except for insufficient or improper application of pest or disease control measures;
- Wildlife; or
- Volcanic eruption.

Additionally, we will not insure against:

- Levels of tetrahydrocannabinol (THC) in excess of 0.3 percent on a dry weight basis, in accordance with the Agriculture Improvement Act of 2018 and applicable Federal regulations;
- Failure to follow requirements contained in the processor contract;
- Any harvested production infected by mold, yeast, fungus, or other microbial organisms after harvest; or



- Any damage or loss of production due to the inability to market the hemp for any reason other than actual physical damage to the hemp from an insurable cause of loss.

Insurance Period

Coverage begins at the later of when we accept your application or the date when the crop is planted in the field, and ends with the earliest occurrence of one of the following:

- Total destruction of the crop;
- Harvest of the unit;
- Final adjustment of loss;
- Abandonment of the crop; or
- October 31.

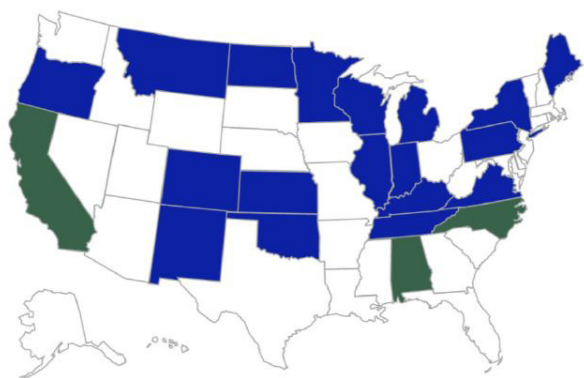
See Crop Provisions for additional information.

Important Dates

Sales Closing (2020)	March 15
(2021 and later)	February 28 or March 15
Acreage Report Due	August 15
Cancellation	February 28 or March 15

ACTUAL PRODUCTION HISTORY HEMP - FEBRUARY 2020

Sales Closing Dates*



2/28 3/15

**Program may not be available in all counties. Sales closing date for all counties where program is available will be 3/15 for initial crop year of 2020.*

Acreage Reporting Requirements

You must file a report of hemp acreage with your crop insurance agent by the acreage reporting date. Consult your crop insurance agent for more information and specific reporting requirements.

Duties in the Event of Damage or Loss

If a damage or loss occurs you must:

- Provide to our loss adjuster a copy of your certification form or official license for the current crop year for the applicable insured county prior to the completion of any claim;
- Protect the crop from further damage by providing sufficient care;
- Notify your crop insurance agent within 72 hours of your initial discovery of damage, but not later than 15 days after the end of the insurance period;
- Leave representative samples for each field of the damaged unit; and
- If insured acreage of the insured type is damaged during the insurance period by an insured cause of loss, and you intend to harvest the acreage before the final THC level is determined by the applicable governing authority, you must provide us notice so we may inspect the damaged acreage to determine appraised production to count.

Coverage Levels and Premium Subsidies

The premium subsidy percentages and available coverage levels, if electing basic units, are shown below. Your share of the premium will be 100 percent minus the subsidy amount.

	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

You may only select one coverage level for each insured type in the county insured under this policy. You must select the coverage level, by type, on your application by the sales closing date.

If you do not select a coverage level for all insurable types specified in the actuarial documents, and you plant one or more additional insurable types, the lowest coverage level you select on your application for any insurable type will apply to each additional insurable type you plant.

The Catastrophic Risk Protection Endorsement (CAT) limits coverage to 50 percent of your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$655, per crop, per county.

Insurance Units

Basic, Optional, and Enterprise units are available in select hemp counties. Premium discounts apply for basic and enterprise units. Additional subsidy is available for enterprise units.

Coverage Options

You may buy crop insurance coverage under one of the insurance plans offered: Catastrophic Risk Protection or Actual Production History.

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA web site at www.rma.usda.gov/Information-Tools/Agent-Locator-Page.

Welcome

2021 Minnesota Industrial Hemp Forum

Housekeeping

- We are recording all sessions. They will be sent to all that registered via PDF containing all the presentations slides and documents shared during the forum. Make sure to look for that from Kajsa Beatty afterwards.
- All attendees are muted and unable to share video
- Please communicate all questions and comments you may have in the Q&A and chat. Moderators and presenters will be checking the chat frequently to answer any questions you may have.

Day 2: Industrial Hemp Opportunities in Minnesota

- **12:00 pm- Welcome**

*Commissioner Steve Grove, MN
Department of Employment and
Economic Development*

- **12:15 pm State and
Federal Financial and
Technical Assistance**

*Moderator: Assistant
Commissioner Whitney Place*

- Emily Jerve, Marketing MDA
- Craig Christianson, USDA
RMA
- Natalie Siderius, DEED

- **1:00 pm Hemp Marketing
Opportunities**

- *Moderator: Dan Skogen, AURI*
- Jeremy Saueressig, SporoBio LLC
- Charlie Levine, Hemp Acres
- John Strohfus
- Angela Dawson, 40 acre coop
- **2:15-2:30 Break**

- **2:30 pm Hemp Product
Applications**

Moderator: Harold Stanislawski, AURI

- *Earl Pendleton, Lower Sioux
Hemp Fiber Project*
- *Riley Gordon,
MDA/MNDOT/AURI Project*
- *Richard Ozer, Crown Iron Works*
- **4:00 pm Adjourn**



**EMPLOYMENT AND
ECONOMIC DEVELOPMENT**

DEED Business Assistance

Natalie Siderius/Southeast Business Development Manager



Who We Are

The Minnesota Department of Employment and Economic Development (DEED) is the state's principal economic development agency.

DEED programs promote business recruitment; expansion and retention; international trade; workforce development; and community development.



DEED's Mission

To empower the growth
of the Minnesota economy,
for everyone.



Economic Development

This division includes:

- Broadband Development
- Business Development
- Business Finance
- Community Finance
- Launch Minnesota
- Minnesota Trade Office



Economic Development Programs

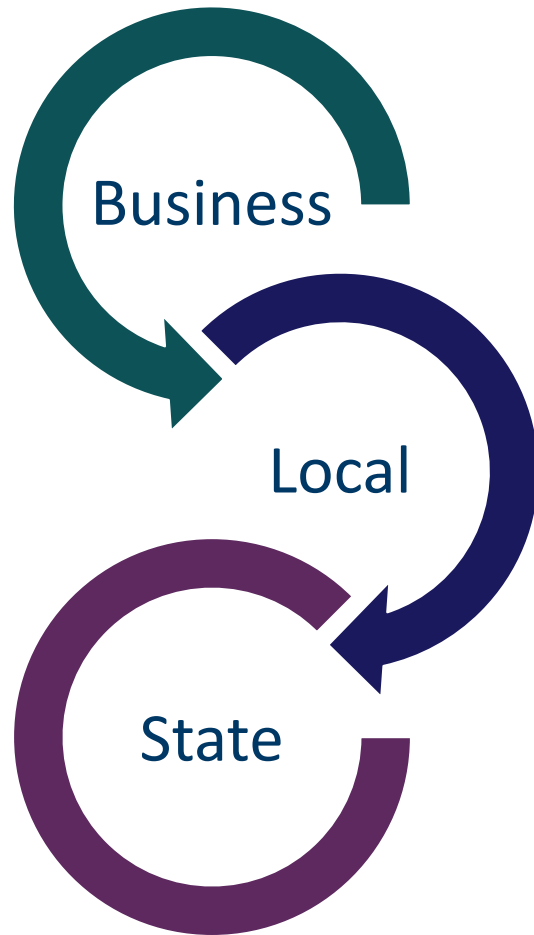
Technical Assistance

- Location Assistance
- Small Business Assistance
- Small Business Development Centers
- Minnesota Trade Office
- Minnesota Business First Stop

Financial Assistance

- Community Finance
- Business Finance

Project Management: How We Work



Partners:

Cities

Counties

EDAs

HRAs

Non-profits and Foundations

Other Federal and State Agencies

Business Finance Drivers

- Job creation
- Investment
- Gap Financing
- Value Added
- Out of State Sales
- High-tech Start-ups
- Social Goals

Business Assistance & Finance Programs

- [Minnesota Investment Fund \(MIF\)](#) – loan program
- [Minnesota Job Creation Fund \(JCF\)](#) – pay for performance program
- [Angel Tax Credit](#)
- [Emerging Entrepreneur Loan Program](#) – partner lenders in each region
- [Minnesota Job Training Programs including MJSP & JTIP](#)
- [Business Development Public Infrastructure Grant Program \(BDPI\)](#)
- [Small Business Assistance Office \(SBAO\)](#)
- [Small Business Development Centers \(SBDC\)](#)
- [Minnesota Business First Stop](#)

Projects Funded by MIF, JCF & BDPI

- Projects
 - Size & scale in terms of investment, job creation and sales
 - Out of state sales needed; will not give competitive advantage to one company over the other in local markets
 - Sources and Uses Identified
 - 3 years of financials needed
 - State last in
 - Will help with manufacturing/production not farming or retail sales
 - Typically, not start ups
 - Angel Tax Credit Can be Used for New Businesses with Investors

Business Development Managers

REGIONAL REPRESENTATIVES

NORTHWEST
Chet Bodin
218-232-0022

WEST CENTRAL
David J. Heyer
651-259-7468
612-849-1676 (cell)

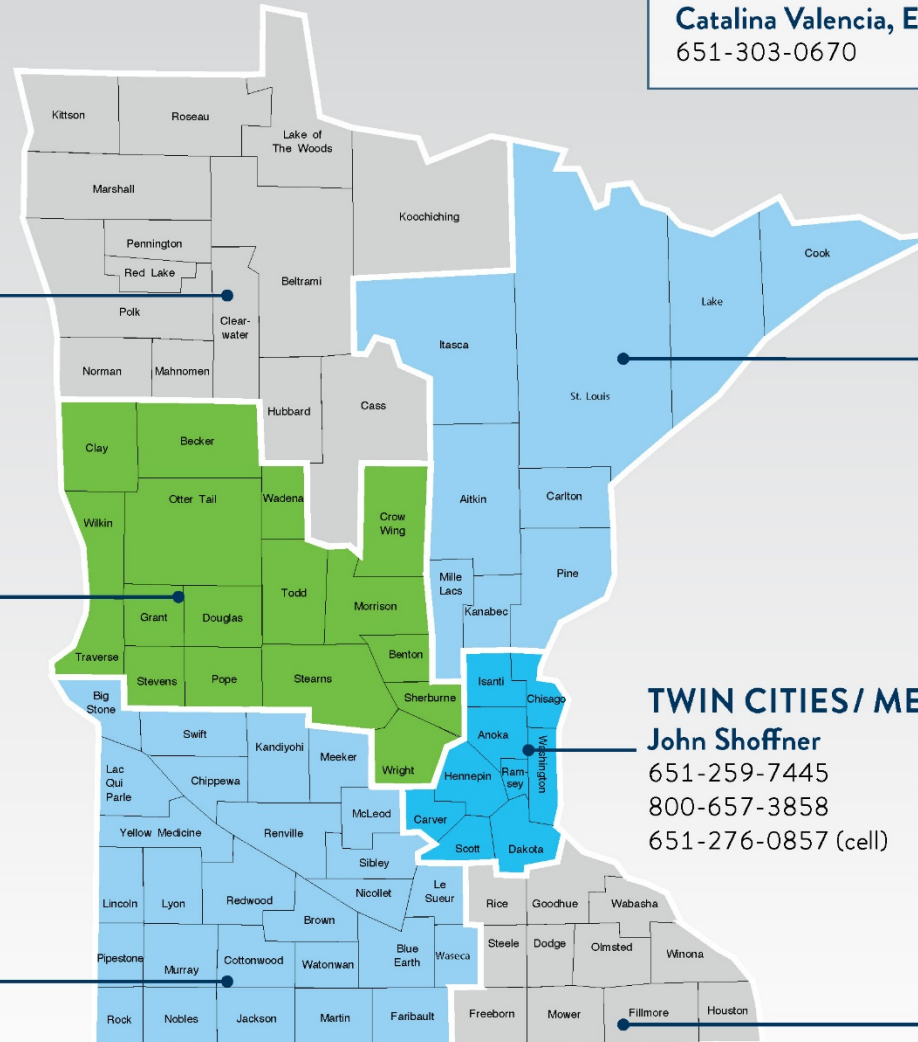
SOUTHWEST
Lisa Hughes
507-344-2601
507-380-3220 (cell)

Catalina Valencia, Executive Director
651-303-0670

NORTHEAST
Bradley Brzezinski
218-310-7757 (cell)

TWIN CITIES/ METRO
John Shoffner
651-259-7445
800-657-3858
651-276-0857 (cell)

SOUTHEAST
Natalie Siderius
507-205-6069
651-245-8674 (cell)





**EMPLOYMENT AND
ECONOMIC DEVELOPMENT**

Thank you!

Natalie Siderius, Southeast Business Development Manager





Minnesota Industrial Hemp Forum 2021: Financial Assistance from the Minnesota Department of Agriculture

Emily Jerve | Marketing Supervisor

February 11, 2021

Agricultural Growth, Research, and Innovation (AGRI)

The Agricultural Growth, Research, and Innovation (AGRI) Program supports the advancement of Minnesota's agricultural and renewable energy industries.

AGRI Grants for the Hemp Industry

1. Value-Added Grant
2. Sustainable Agriculture
3. Crop Research
4. New Markets Cost-Share

AGRI Value-Added Grant



Recent Examples of Value-Added Grantees

HEMP ACRES LLC - SEED STORING, SEED CLEANING, PRESSING, AND SIFTING EQUIPMENT AS WELL AS EQUIPMENT FOR PACKAGING AND LABELING

L'ETOILE DU NORD VINEYARD LLC— WINE MAKING EQUIPMENT

MIGHTY AXE HOPS — PROCESSING EQUIPMENT TO TRANSFORM LOCAL HOPS INTO PELLETS

OAK MEADOW MEATS — HORIZONTAL SLICER

AGRI Sustainable Agriculture Demonstration Grant



AGRI Crop Research Grant



New Markets Cost-Share Program



Further Resources



\$ BUSINESS DEV. LOANS, GRANTS

ENVIRONMENT, SUSTAINABILITY

PESTICIDE, FERTILIZER

FOOD, FEED

PLANTS, INSECTS

LICENSING & INSPECTIONS

Get the Latest
Information on the
Coronavirus and Food
and Agriculture ➔



\$ BUSINESS DEV. LOANS, GRANTS

ENVIRONMENT, SUSTAINABILITY

PESTICIDE, FERTILIZER

FOOD, FEED

PLANTS, INSECTS

LICENSING & INSPECTIONS

AGRI MILK COOLER GRANT

VIEW ALL FUNDING

Minnesota Department of Agriculture > Business Dev, Loans, Grants > Loans > View all Funding

Search by Title

All search terms

Category

Grant

GO

CLEAR

View Loan, Grant and Other Funding Opportunities

Title ^	Category
AGRI Bioenergy/Biochemical Pilot Project Grant	Grant
AGRI Biofuel Blending Infrastructure Grant	Grant
AGRI County Fair Grants	Grant
AGRI Crop Research Grant	Grant
AGRI Dairy Farm Improvement Grant	Grant
AGRI Farm to Early Care and Education Grants	Grant
AGRI Farm to School Grants	Grant
AGRI Livestock Investment Grant	Grant
AGRI Milk Cooler Grant	Grant
AGRI Sustainable Agriculture Demonstration Grant Program	Grant
AGRI Urban Agriculture Grant	Grant
AGRI Value-Added Grant Program	Grant

Thank you!

Emily Jerve

Emily.Jerve@state.mn.us