

# Insurance Guidelines

There are two main types of insurance for farmers:

- liability insurance
- crop insurance.

**Liability Insurance:** Liability insurance protects you from being sued if you hurt someone or damage their property. Liability insurance also protects you from customers that sue you if they get hurt or sick from eating your crops. Liability insurance is required for all farmers that sell to markets, make value-added products, and hire workers. Liability insurance covers medical expenses, first aid, the cost of a lawyer, bodily injury and property damage, farm chemical transportation coverage, and more.

There are many insurance companies that sell liability insurance. Choose an insurance company that sells farm insurance for farmers. Farm Family Casualty Insurance Company, [**Special Farm Package 10® (SFP 10®)**] gives you many insurance choices. Farm Family Casualty Insurance Company is in Northborough, Ma. Talk to an insurance agent there and explain how you plan to farm. Learn about the best type of insurance to protect you and your things. The cost of your insurance premium can be related to your income from farming.

**NOTE:** If you want to be eligible and get money taken off of farm insurance, you need to be a member of the Massachusetts Farm Bureau. The Mass Farm Bureau has different levels of membership. Their most basic membership package is the Associate Membership that costs \$60.00 a year.

## **Massachusetts Farm Liability Insurance Contacts:**

### **Farm Family Casualty Insurance Company**

Agent: Richard Bourgault

88C Main Street, Northborough, MA 01532

phone: 508-393-9327 or 1-800-THE-FARM (1-800-843-3276)

email: rich\_bourgault@farmfamily.com

### **Massachusetts Farm Bureau Federation, Inc.**

466 Chestnut Street, Ashland MA.

Phone: 508-881-4766

**Crop Insurance:** Crop insurance protects the value of your crops if a disaster happens. Some of these disasters are: hail, drought, too much rain, freezing, heat, and disease. You can get crop insurance for over 76 kinds of crops. Crops covered by crop insurance in Massachusetts are: apples, clams, cranberries, peaches, potatoes, sweet corn, tobacco and winter squash. Crop insurance is available only through private crop insurance agents. You have to buy crop insurance before the damage happens. Please check on the dates that you need to buy the insurance.

**Catastrophic Risk Protection (CAT)** is the smallest level of insurance. The Federal government pays a lot of the cost. Farmers may have to pay a small fee, but sometimes there is no charge depending on your income. A crop insurance agent can help you. .

**Noninsured Assistance Program (NAP):** For crops not covered by the above, NAP covers your crops similar to the CAT level. You must apply for NAP before you plant. Also, you need to give the local Farm Service Agency a production and acreage report each year.

**Adjusted Gross Revenue-Lite (AGR-Lite) insurance:** This “whole-farm” insurance protects all the money you would normally earn in a year on the farm. It protects you against low farm income if a natural disaster hits or your marketing fails. Most farm-raised crops, animals, and animal products are eligible for this insurance. AGR-Lite can be used with other Federal crop insurance plans. If you buy more than one type of crop insurance, your AGR-Lite premium will be lower.

**How AGR-Lite works:** You must file farm income taxes to be eligible, since it uses how much farm revenue you report on your federal taxes over 5 years. It also covers more than one crop by protecting all your farm income. To be eligible for AGR-Lite coverage, you must:

- Be a U.S. citizen or legal resident;
- File a farm tax return;
- Have less than \$1 million in gross income;
- Have your IRS tax forms available for the past 5 years.
- Purchase by March 15th each year.

#### **Massachusetts Crop Insurance Contacts**

[Cross, J](#), (508) 867-7538 East Brookfield, MA

[Plastridge, P](#) (978) 486-3575 Littleton, MA