

WASHINGTON STATE UNIVERSITY



EXTENSION

PL 219 01 NOV 2005

Western Center for Risk Management Education

The Washington State University Western Center for Risk Management, working closely with the USDA Risk Management Agency Spokane Regional Office and the Pennsylvania State Department of Agriculture was able to make the new Adjusted Gross Revenue Lite (AGR-Lite) crop insurance product available for producers in Washington, Oregon, Idaho and Alaska for the 2005 crop year. We believe that the total farm income protection that AGR-Lite provides is a valuable management tool that is critically needed by Northwest farmers and ranchers. As we all know, production costs, especially fuel costs, are escalating rapidly. At the same time, global commodity prices are becoming increasing more volatile. Those two factors, when combined, dramatically increase the financial risk that producers are facing. The original Adjusted Gross Revenue (AGR) pilot program and now AGR-Lite are important tools that can help producers manage those risks. However valuable they are, they are not perfect and we are currently working with the Pennsylvania State Department and the FCIC Board to make changes that we believe will make them more useful for more producers. I ask that the Risk Management Agency continue to explore and support new total farm income products that can benefit our producers.

As a footnote, I would like to add that throughout the 508h application process that we used to bring AGR-Lite to the Northwest, we have worked very closely with the RMA Spokane Regional Office. Our experience has been very positive and I would like to commend Regional Director Dave Paul and his staff for their continued customer centric approach to serving the crop insurance needs of Northwest producers.

Dennis Fiess
Deputy Director
WSU Western Center for Risk Management Education
222 N. Havana
Spokane, WA 99202
509-477-2196
dfiess@wsu.edu

OFFICE OF THE EXECUTIVE
SECRETARIAT, USDA

2005 NOV 10 P 12:19