

2027 USDA EXPLANATORY NOTES – RISK MANAGEMENT AGENCY

Table of Contents

Preface.....	3
Agency-Wide	3
Purpose Statement	3
OIG and GAO Reports	4
Available Funds and FTEs.....	7
Permanent Positions by Grade and FTEs	8
Vehicle Fleet	9
Shared Funding Projects	10
Account 1: Salaries and Expenses.....	11
Appropriations Language	11
Lead-Off Tabular Statement.....	11
Project Statements.....	11
Justification of Changes	12
Geographic Breakdown of Obligations and FTEs	13
Object Classification	14
Account 2: Federal Crop Insurance Corporation	15
Appropriations Language	15
Lead-Off Tabular Statement.....	15
Project Statements.....	15
Justification of Changes	16
Geographic Breakdown of Obligations.....	17
Object Classification	18
Status of Programs	19

This page was intentionally left blank.

PREFACE

This publication summarizes the fiscal year (FY) 2027 Budget for the U.S. Department of Agriculture (USDA). Throughout this publication any reference to the “Budget” is in regard to the 2027 Budget, unless otherwise noted. All references to years refer to fiscal year, except where specifically noted. The budgetary tables throughout this document show actual amounts for 2024 and 2025; Working Families Tax Cut Act; Agriculture, Rural Development, Food and Drug Administration, and Related Agency Appropriations Act, 2026; and the President’s Budget request for 2027. Amounts for 2026 enacted levels include: non-enacted amounts such as Full-Time Equivalent levels, fleet levels, information technology investment levels, recovery levels, transfers in and out, balances available end of year, and obligation levels.

Throughout this publication, the Working Families Tax Cut Act is used to refer to the Public Law 119-21.

Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985, sequestration is included in the numbers for mandatory programs in 2024, 2025, 2026 and 2027.

In tables throughout this document, amounts equal to zero (0) are displayed as dashes (-). Amounts less than 0.5 and greater than zero are rounded and shown as a zero (0). This display treatment is used to prevent the masking of small non-zero amounts that do not round up to one (1). Due to rounding, some tables may not sum exactly.

AGENCY-WIDE**PURPOSE STATEMENT**

The Risk Management Agency (RMA) was established under provisions of the Federal Agriculture Improvement and Reform Act of 1996 (1996 Act), P.L. 104-127, enacted April 4, 1996. This Act required that the Secretary establish within the Department an independent office responsible for supervision of the Federal Crop Insurance Corporation (FCIC). RMA provides administration and oversight of programs authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), including a variety of actuarially sound crop and livestock insurance products. The mission of the Risk Management Agency is to serve America’s agricultural producers through effective, market-based risk management tools to strengthen the economic stability of agricultural producers and rural communities.

Over the past eight decades, Federal crop insurance has been the primary product provided by the FCIC/RMA and consists of various risk management products designed to support the economic stability of agriculture. Legislation, including the current Farm Bill, has prompted significant program growth and the development of many large and complex new programs. Despite this growth and increased costs, Congress has continued to provide supplemental assistance in addition to the crop insurance benefits. For calendar years 2020 thru 2024, this ad-hoc assistance from supplemental appropriations has averaged \$9 billion annually.

RMA monitors, evaluates, reviews, and updates risk management products; reviews and implements private sector products approved by the FCIC Board of Directors to be reinsured by FCIC; and ensures delivery of these products to agricultural producers. Federal crop insurance provides an effective financial safety net for farmers and ranchers to sustain economically viable agricultural production, support rural jobs and economic growth by providing protection from both yield and market risks. Examples of recent enhancements to the Federal crop insurance program include new programs for shellfish, kiwifruit, grapevines, controlled environment, weaned calf, and expansion of enterprise units to specialty crops. Using these tools, agricultural producers have available a cost-effective means of managing their risk and are better able to help sustain the rural economy.

Major RMA functional areas include: 1) Program Administration including the FCIC Board of Directors; 2) Product Management; 3) Insurance Services; and 4) Compliance.

As of September 30, 2025, RMA had 361 employees with permanent appointments. Of this total, 19 employees were in the National Capital Region, and 342 employees were located outside of the National Capital Region.

RMA activities contribute to the success of USDA’s overall mission to provide leadership on food, agriculture, natural resources, rural development, nutrition, and related issues based on public policy, the best available science, and effective management. USDA is currently developing the FY 2026 – 2030 Strategic Plan. A detailed 2027 performance plan, including Key Performance Indicators, can be found at <https://www.usda.gov/our-agency/about-usda/performance>.

OIG AND GAO REPORTS

Table RMA-1. Closed, Implemented OIG Reports

ID	Date Opened	Date Closed	Title	Result
05601-0008-31	12/30/2020	12/24/2024	Prevented Planting Follow up	<p>Recommendation 1 - Strengthen RMA handbook requirements to clarify how acres claimed as prevented planting are to be verified as eligible for prevented planting.</p> <p>RMA provided OCFO with copies of the handbooks that RMA issued with language clarified to ensure acreage is properly verified as eligible for prevented planting.</p> <p>Recommendation 2 - Conduct a review to identify any new or additional technologies that may improve AIP documentation to support and verify accuracy of prevented planting claims.</p> <p>RMA conducted a feasibility study to identify any new or additional technologies that may improve AIP documentation to support and verify accuracy of prevented planting claims.</p>
05601-0005-22	10/5/2020	12/26/2024	Whole-Farm Revenue Protection Pilot Program	<p>Recommendation 1- Document the oversight reviews and/or tools RMA will use to ensure that WFRP activities are performed in accordance with program requirements. Also, RMA should establish a policy and develop procedures to ensure WFRP activities and data are reviewed in a consistent and regular manner.</p> <p>RMA conducted a study to determine the feasibility and practicality of developing an annual data report that identifies anomalous Whole Farm</p>

ID	Date Opened	Date Closed	Title	Result
50024-0001-11	12/5/24	5/27/2025	USDA's Compliance with Improper Payment Requirements for Fiscal Year 2024	<p>Revenue Protection Pilot Program (WFRP) policies. RMA developed the report and provided documentation on how the report/s will be incorporated into RMA's ongoing WFRP oversight efforts. RMA provided documentation to support that RMA will continue to include WFRP policies randomly selected as part of its annual improper payment review process. RMA established an internal compliance notification requiring Regional Compliance Offices with a heavy concentration of, or who experience increased compliance activities on WFRP policies to perform an internal assessment of WFRP policies during their annual program review planning process. RMA updated the Approved Insurance Provider Performance Review (APR) guidance that included a simplified walkthrough to evaluate the AIPs' adherence to WFRP policies and procedures.</p> <p>There were no recommendations for RMA.</p>
05601-0003-41	4/25/2024	9/30/2025	Assessment of Risk Management Agency's Oversight of High-dollar Indemnities	<p>Recommendation 1 - Follow up with AIPs that did not submit reports for the 148 required \$200,000 Indemnity Reviews in CY 2022 and (1) determine whether the \$61.9 million in questioned, unsupported indemnity costs were supported, and allowable and (2) recover any costs determined to be unsupported and unallowable. (Based on Condition, Cause, Criteria, Effect, and Issue Summary tabsin) (See Details, Par. 6d, highlighted in green)</p> <p>RMA provided OCFO documentation supporting that the AIP's have made the appropriate monetary adjustments on the six policies and</p>

ID	Date Opened	Date Closed	Title	Result
				<p>that P57 records were transmitted for all 148 policies.</p> <p>Recommendation 2 - Review CYs 2019 through 2023 and follow up with AIPs for unsubmitted reports for the required \$200,000 Indemnity Reviews and, if adequate support is not provided, recover the unsupported indemnity amounts. (Based on Condition, Cause, Criteria, Effect, and Issue Summary tabsin) (See Details, Par. 6d highlighted in green)</p> <p>RMA provided OCFO evidence that P57 records on 244 of the 306 policies for 2021-2023 were transmitted and that the AIP’s made the appropriate monetary adjustments on one policy for 2021 and six policies for 2022.</p> <p>Recommendation 3 - Develop and implement a process and procedures to regularly reconcile the required \$200,000 Indemnity Reviews with the associated completion reports submitted by AIPs. (Based on Condition, Cause, Criteria, Effect, and Issue Summary tabsin) (See Details, Par. 6d, highlighted in green)</p> <p>RMA provided OCFO a copy of the guidance to RMA’s Business Analytics Division for the developed reconciliation process.</p>

Table RMA-2. Closed, Implemented GAO Reports

ID	Date Opened	Date Closed	Title	Result
GAO-25-106595	04/24/2024	07/1/2025	Dairy Farmers: USDA Should Assess the Effectiveness of Its Communications Regarding Key Program Benefits	There were no recommendations to RMA.

AVAILABLE FUNDS AND FTEs

Table RMA-3A. Available Funds and FTEs (thousands of dollars, FTEs)

Item	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Salaries and Expenses:								
Discretionary Appropriations ...	\$65,637	409	\$65,637	409	\$60,000	394	\$60,345	403
Mandatory Appropriations.....	7,000	-	7,000	-	7,000	-	10,000	-
Mandatory Appropriations.....	10,341,000	-	13,854,000	-	17,488,000	-	18,018,000	-
Total Discretionary Appropriation	65,637	409	65,637	409	60,000	394	60,345	403
Total Mandatory Appropriations..	10,348,000	-	13,861,000	-	17,495,000	-	18,028,000	-
Total Adjusted Appropriation...	10,413,637	409	13,926,637	409	17,555,000	394	18,088,345	403
Balance Available, SOY	594,000	-	598,000	-	604,000	-	607,000	-
Offsetting Collections, Other	11,722,000	-	7,272,000	-	6,968,000	-	6,965,000	-
Total Available	22,729,637	409	21,796,637	409	25,127,000	394	25,660,345	403
Lapsing Balances.....	-593	-	-474	-	-	-	-	-
Balance Available, EOY	-598,000	-	-604,000	-	-607,000	-	-610,000	-
Total Obligations	22,131,044	409	21,192,163	409	24,520,000	394	25,050,345	403
Total Available, RMA	22,729,637	409	21,796,637	409	25,127,000	394	25,660,345	403

Table RMA-3B. Administrative Funding

CATEGORY	2024	2025	2026	2027
	Actual	Actual	Estimated	Estimated
Salary and Benefits				
Discretionary.....	\$60,831,469	\$65,162,647	\$59,999,000	\$60,344,000
FCIC	6,000,000	7,000,000	7,000,000	10,000,000
Total, personnel comp. and benefits, Table RMA-15	66,831,469	72,162,647	66,999,000	70,344,000
All Other Discretionary				
Discretionary -Travel, Rent Contracts, Supplies, Equipment.....	6,038,531	0	0	0
FCIC - Contracts.....	1,000,000	-	-	-
All Other Discretionary ³	7,038,531	136	1,000	1,000
Subtotal, Discretionary ¹	73,870,000	72,162,783	67,000,000	70,345,000
RMA Total FTEs	410	413	394	396
IT Mandatory Fees ²				
Contracts/Agreements-Fees.....	30,800,831	17,797,996	17,797,996	17,797,996
Working Capital (IT) ⁵	9,364,721	14,691,566	14,691,566	14,691,566
Shared Cost (GreenBook IT) ⁵	91,621	90,056	90,056	90,056.00
E-Gov	32,487	66,147	66,147	66,147.00
NEF Transfer CDW EDAPT.....	-	-	-	-
Subtotal, IT Mandatory Fees.....	40,289,674	33,345,765	32,645,765	32,645,765
Non-IT Mandatory Fees ²				
Contracts/Agreements ⁴	2,503,934	651,351	5,321,030	5,321,030
GSA Rent.....	2,393,072	984,634	908,229	927,302
Working Capital (Non IT)	147,008	131,583	264,313	264,132
Shared Cost (Greenbook Non-IT).....	260,981	275,395	115,400	115,400
DHS Security	565,609	-	221,654	193,463
Non-IT Initiatives	608,028	601,632	759,750	759,750
Subtotal, Non-IT Mandatory Fees.....	3,974,698	2,644,596	7,590,377	7,581,077
Fees TBD	1,347,206	-	5,027,858	5,037,158
Subtotal, Total Mandatory IT and Non-IT Fees.....	43,201,597	35,990,361	45,264,000	45,264,000
FCIC Initiatives ³				

¹ Discretionary funds reflect transfer from FCIC. FCIC \$7M transfer is for salaries & benefits that support reviews, compliance, and integrity. In 2027 transfer is increased by \$10M.

² IT Fees and Non-IT Fees reflect Sequestration.

³ FCIC Initiatives reflect Sequestration and transfers to Salaries and Expenses and NIFA.

³ Travel and All Other amounts as reflected in the Object Class Table.

⁴ Includes Pilot Programs and WCF/Greenbook.

⁵ The 2026 & 2027 numbers for WCF/Greenbook are currently unknown and are based on estimates.

2027 USDA EXPLANATORY NOTES – RISK MANAGEMENT AGENCY

CATEGORY	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Section 522 - R&D, Program Integrity, 508h, and Risk Management Education (Includes up to \$5M in IT cost annually) .	13,949,140	6,018,986	15,500,000	15,500,000
Section 524 - Education & Info Programs (Targeted States)	-	-	-	-
Section 515- Data Mining (IT cost).....	4,000,000	4,000,000	6,000,000	6,000,000
Section 516- Expert Review and Policy Implementation (Includes \$1.25M in IT cost annually).....	1,487,819	2,012,330	6,500,000	6,500,000
Subtotal, FCIC Initiatives.....	19,436,959	12,031,316	28,000,000	28,000,000
Subtotal, Mandatory	62,638,556	48,021,677	73,264,000	73,264,000
Total Administrative Funding	117,071,597	108,153,144	112,264,000	115,600,000

PERMANENT POSITIONS BY GRADE AND FTES

Table RMA-4. Permanent Positions by Grade and FTES

Item	2024 Actual		2025 Actual		2026 Estimated		2027 Estimated	
	HQ	Field	HQ	Field	HQ	Field	HQ	Field
SES	3	2	3	2	3	2	3	2
SL.....	-	3	-	3	-	3	-	3
GS-15.....	2	14	2	14	2	14	2	14
GS-14.....	1	47	1	47	1	47	1	47
GS-13.....	2	183	2	188	2	169	2	175
GS-12.....	-	121	-	121	-	121	-	124
GS-11.....	-	14	-	14	-	14	-	14
GS-10.....	-	1	-	1	-	1	-	1
GS-9.....	1	7	1	7	1	7	1	7
GS-8.....	-	1	-	1	-	1	-	1
GS-7.....	-	6	-	6	-	6	-	6
Total Permanent ..	9	399	8	401	8	386	8	395
Total Perm. FT EOY	9	399	8	401	8	386	8	395
FTE ⁶	9	401	9	404	9	386	9	395

⁶ Total FTEs are all inclusive of workforce categories including temporary positions.

VEHICLE FLEET

Motor Vehicle Fleet

RMA has four vehicles at several regional offices to facilitate its federal crop insurance mission. All four vehicles are leased through the General Services Administration (GSA).

Replacement Criteria

To ensure that vehicles are safe and reliable, RMA requires annual vehicle inspections. Vehicles are replaced in accordance with the criteria set by the GSA for their leased fleet.

Fleet Optimization

Looking ahead, RMA will continue to optimize its fleet by:

- Maximizing its participation in an existing and successful vehicle-sharing program.
- Continuing to implement and utilize telematics to simplify vehicle usage recording for field staff.
- Using telematics data to determine optimal vehicle inventories for RMA offices.
- Vehicle right-typing, ensuring that the fleet inventory reflects a blend of vehicles that are a proper match to the mission and offer best value back to the Government.

Table RMA-5. Size, Composition, and Annual Costs of Motor Vehicle Fleet

Item	Sedans and Station Wagons	Vans	SUVs	Light Trucks 4X2	Light Trucks 4X4	Medium Duty Vehicles	Buses	Heavy Duty Vehicles	Total Vehicles	Annual Operating Costs
2018 End of Year Operating										
Inventory	-	-	4	-	-	-	-	-	4	\$27,226
2024 End of Year Operating										
Inventory	-	-	4	-	-	-	-	-	4	\$30,925
2025 Actual Acquisitions	-	-	-	-	-	-	-	-	-	-
2025 Actual Disposals	-	-	-	-	-	-	-	-	-	-
2025 End of Year Operating										
Inventory	-	-	4	-	-	-	-	-	-	\$34,068
2026 Planned Acquisitions	-	-	-	-	-	-	-	-	-	-
2026 Planned Disposals	-	-	-	-	-	-	-	-	-	-
2026 End of Year Operating										
Inventory	-	-	4	-	-	-	-	-	4	\$37,475
2027 Planned Acquisitions	-	-	-	-	-	-	-	-	-	-
2027 Planned Disposals	-	-	-	-	-	-	-	-	-	-
2027 End of Year Operating										
Inventory	-	-	4	-	-	-	-	-	4	\$41,223

Table RMA-6. Statement of Proposed Acquisition of Passenger Motor Vehicles

Fiscal Year	Net Active Fleet, SOY	Disposals	Replacements	Additions	Total Acquisitions	Net Active Fleet, EOY
2024	693	24	3	36	39	708
2025	708	-	10	12	22	730
2026	730	96	15	30	45	679
2027	679	115	90	21	111	675

SHARED FUNDING PROJECTS

Table RMA-7. Shared Funding Projects (thousands of dollars)

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Working Capital Fund:				
Administrative Services:				
AskUSDA	\$27	\$27	-	-
General Counsel Legal Compliance	-	16	\$197	\$197
Human Resources Enterprise System Management	26	31	31	32
Integrated Procurement Systems.....	35	39	25	25
Mail and Reproduction Management Division	51	48	43	42
Material Management Service Center	10	8	2	2
Personnel and Document Security	19	24	23	-
Procurement Operations Division	-	-	214	214
Subtotal.....	168	193	535	512
Communications:				
Creative Media & Broadcast Center.....	84	24	39	39
Finance and Management:				
Financial Shared Services	490	454	354	351
Internal Control Support Services	98	90	104	104
National Finance Center	118	110	105	105
Subtotal.....	706	654	563	560
Information Technology:				
Client Experience Center	4,087	4,182	2,922	2,787
Depart. Administration Information Technology Office	56	132	120	-
Digital Infrastructure Services Center.....	3,369	2,903	2,718	2,824
Enterprise Cybersecurity Services.....	227	247	237	237
Enterprise Data and Analytics Services	4,419	6,038	284	291
Enterprise Network Services.....	1,150	1,237	675	675
Subtotal.....	13,308	14,739	6,956	6,814
Correspondence Management Services:				
Office of the Executive Secretariat	56	30	35	35
Total, Working Capital Fund	14,322	15,640	8,128	7,960
Department-Wide Shared Cost Programs:				
Agency Partnership Outreach	28	29	16	17
America’s Agricultural Heritage.....	-	-	3	2
Diversity, Equity, Inclusion, and Accessibility	10	2	-	-
Employee Experience.....	14	11	1	-
Medical Service.....	9	-	-	-
NCR Interpreting Services	3	1	3	3
OCFO Shared Services Branch	-	-	3	5
Office of Customer Experience.....	12	6	-	-
Physical Security.....	18	24	12	12
Security Detail	21	32	69	70
Security Operations	29	28	31	31
Talent Group	13	14	2	-
TARGET Center	6	7	5	5
Total, Department-Wide Reimbursable Programs.....	163	154	145	145
Agency Total.....	14,485	15,794	8,273	8,105

ACCOUNT 1: SALARIES AND EXPENSES

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

Salaries and Expenses

For necessary expenses of the Risk Management Agency, \$60,345,000: Provided, That \$1,000,000 of the amount appropriated under this heading in this Act shall be available for compliance and integrity activities required under section 516(b)(2)(C) of the Federal Crop Insurance Act of 1938 (7 U.S.C. 1516(b)(2)(C)), and shall be in addition to amounts otherwise provided for such purpose: Provided further, That not to exceed \$1,000 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

LEAD-OFF TABULAR STATEMENT

Table RMA-8. Lead-Off Tabular Statement (in dollars)

Item	Amount
Estimate, 2026	\$60,000,000
Change in Appropriation	345,000
Budget Estimate, 2027	<u>60,345,000</u>

PROJECT STATEMENTS

Table RMA-9. Project Statement on Basis of Appropriations (thousands of dollars, FTEs)⁷

Item	2024		2025		2026		2027		Inc. or Dec.	FTE Inc. or Dec.	Chg Key
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs			
Discretionary Appropriations:											
Salaries and Expenses.....	\$65,637	409	\$65,637	409	\$60,000	394	\$60,345	403	+\$345	+9	(1)
Subtotal	65,637	409	65,637	409	60,000	394	60,345	403	+345	+9	-
Discretionary Appropriations:											
FCIC Farm Bill Transfer.....	7,000	-	7,000	-	7,000	-	10,000	-	+3,000	-	-
Subtotal	7,000	-	7,000	-	7,000	-	10,000	-	+3,000	-	-
Total Adjusted Approp.....	72,637	409	72,637	409	67,000	394	70,345	403	+3,345	+9	-
Add back:											
Transfers In and Out, Rescissions	-7,000	-	-7,000	-	-7,000	-	-10,000	-	-3,000	-	-
Total Appropriation.....	65,637	409	65,637	409	60,000	394	60,345	403	+345	+9	-
Transfers In:											
FCIC Farm Bill.....	7,000	-	7,000	-	7,000	-	10,000	-	+3,000	-	-
Total Transfers In.....	7,000	-	7,000	-	7,000	-	10,000	-	+3,000	-	-
Total Available	72,637	409	72,637	409	67,000	394	70,345	403	+3,345	+9	-
Lapsing Balances.....	-593	-	-474	-	-	-	-	-	-	-	-
Total Obligations	72,044	409	72,163	409	67,000	394	70,345	403	+3,345	+9	-

Table RMA-10. Project Statement on Basis of Obligations (thousands of dollars, FTEs)⁸

Item	2024		2025		2026		2027		Inc. or Dec.	FTE Inc. or Dec.
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs		
Discretionary Obligations:										
Salaries and Expenses	\$65,044	409	\$65,163	409	\$60,000	394	\$60,345	403	+\$345	+9
Subtotal Disc. Obligations	65,044	409	65,163	409	60,000	394	60,345	403	+345	+9
Discretionary Obligations:										
FCIC Farm Bill Transfer.....	7,000	-	7,000	-	7,000	-	10,000	-	+3,000	-
Total Obligations.....	72,044	409	72,163	409	67,000	394	70,345	403	+3,345	+9
Add back:										
Lapsing Balances	593	-	474	-	-	-	-	-	-	-
Total Available	72,637	409	65,637	409	67,000	394	70,345	403	+3,345	+9
Total Transfers In	-7,000	-	-7,000	-	-7,000	-	-10,000	-	-3,000	-
Total Appropriation	65,637	409	65,637	409	60,000	394	60,345	403	+345	+9

⁷ This table does not match MAX Schedule X due to reimbursables.

⁸ This table does not match MAX Schedule X due to reimbursables.

JUSTIFICATION OF CHANGES

RMA will continue to provide world class agricultural risk management products, tools, education, and outreach. In addition to the activities and functions specifically described in the budget request, current year and budget year funds will be used to carry out activities and functions consistent with the full range of authorities and activities delegated to the agency.

Farmers and ranchers rely upon crop insurance to protect them from the inherently risky business of agricultural production. America relies on the Federal crop insurance program to assist in keeping an abundant supply of food, and fiber flowing from farms and ranches, and to help ensure food security for the Nation. RMA works to ensure the actuarial soundness of agricultural crop insurance products; however, costs have continued to rise making the tax payer investment less effective. Along with the continued supplemental assistance on top of crop insurance, more emphasis is being put on efforts to uncover and prevent waste, fraud, and abuse in the program.

The numbers (and letters) of the following listing relates to values in the Change (Chg) Key column of the Project Statement:

- (1) An increase of \$345,000 and 9 FTEs in salaries and expenses for the Risk Management Agency (\$60,000,000 and 394 FTEs available in 2026).

The funding change is requested for the following items:

- A. A decrease of \$15,040 for FERS Agency Contributions.
This decrease reflects the lower amount of FERS Agency Contribution by 0.5 percentage points. These funds will be repurposed for Lump Sum payments.
- B. A decrease of \$23,000 for National Security Related Expenses being transferred to the Office of Homeland Security (\$23,000 available in 2026).
The decrease in funds of \$23,000 for National Security Related Expenses, being realigned to the Office of Homeland Security (OHS), will enhance efficiency and effectiveness within USDA. This strategic realignment will centralize resources under OHS, which provides leadership in national security through policy development, emergency preparedness and response initiatives, and threat mitigation coordination. Consolidating the budget under OHS eliminates redundancies, ensures more coordinated resource allocation, and improves the execution of departmental security policies, ultimately bolstering the USDA's resilience and readiness without compromising overall security.
- C. An increase of \$15,040 in Lump Sum Payments.
There has been an increase in the amount of lump sum leave payouts to employees. This will ensure compliance with applicable policies and regulations governing accrued leave payments.
- D. An increase of \$345,000 and 9 FTEs Pay and Employee Costs.
RMA will transfer the full amount of the transfer from the FCIC Section 516(2)(C)(i) to cover the increase in FTEs. This will cover salaries and benefits incurred for the operations and review of policies, plans of insurance, and related materials; and to assist the Corporation in maintaining program actuarial soundness and financial integrity.
- E. An increase of \$23,000 in General Counsel Legal Compliance.
RMA specifically is given the authority, pursuant to 7 U.S.C. § 1508 (a)(10)(D), to impose sanctions, disqualify, or impose a civil fine for failing to comply with any FCIC requirement, which means only RMA employees have the delegated authority to carry out these functions. Initiating and completing the entire sanction process at the Agency level, rather than passing it back and forth for the Business Center to carry out the administrative portions, will allow for a much more effective, streamlined, less disjointed process.

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS AND FTEs**Table RMA-11. Geographic Breakdown of Obligations and FTEs for RMA (thousands of dollars, FTEs)**

State/Territory/Country	2024		2025		2026		2027	
	Actual	FTEs	Actual	FTEs	Estimated	FTEs	Estimated	FTEs
Arizona	\$563	3	\$490	3	\$490	2	\$490	2
Arkansas.....	480	2	297	2	297	2	297	2
California.....	4,581	26	4,654	26	4,654	26	4,654	26
Colorado	177	1	180	1	180	1	180	1
Connecticut.....	156	1	157	1	157	1	157	1
Delaware.....	192	1	194	1	194	1	194	1
District of Columbia.....	1,880	8	1,431	8	1,305	5	1,650	7
Florida.....	1,194	7	1,020	7	1,020	6	1,020	6
Georgia.....	1,650	11	1,821	11	1,821	12	1,821	12
Hawaii.....	88	1	107	1	107	1	107	1
Idaho.....	585	4	593	4	593	4	593	4
Illinois.....	2,025	14	1,848	14	1,848	12	1,848	12
Indiana.....	2,496	16	2,771	16	2,771	17	2,771	17
Iowa.....	462	4	512	4	512	4	512	4
Kansas.....	7,954	46	8,657	46	8,657	50	8,657	50
Kentucky.....	957	7	1,185	7	1,185	9	1,185	9
Louisiana.....	249	1	258	1	258	1	258	1
Maryland.....	1,797	10	1,820	10	1,382	7	1,382	7
Michigan.....	323	2	326	2	326	2	326	2
Minnesota.....	4,601	27	4,014	27	3,637	21	3,637	21
Mississippi.....	1,652	11	1,408	11	1,408	9	1,408	9
Missouri.....	14,837	84	14,841	83	14,009	78	14,009	78
Montana.....	2,239	14	2,264	14	2,264	14	2,264	14
Nebraska.....	524	3	558	3	558	3	558	3
Nevada.....	318	2	321	2	321	2	321	2
New Mexico.....	-	-	145	1	145	1	145	1
New York.....	340	2	344	2	344	2	344	2
North Carolina.....	3,694	24	4,101	24	3,399	22	3,399	22
North Dakota.....	174	1	372	1	372	2	372	2
Ohio.....	318	2	321	2	321	2	321	2
Oklahoma.....	2,178	13	2,084	13	2,084	13	2,084	13
Pennsylvania.....	355	2	368	2	368	2	368	2
Tennessee.....	297	2	300	2	300	2	300	2
Texas.....	4,511	26	4,463	25	4,463	26	4,463	26
Vermont.....	180	1	182	1	182	1	182	1
Virginia.....	1,235	6	1,472	6	773	4	773	4
Washington.....	1,737	12	1,860	12	1,860	14	1,860	14
West Virginia.....	176	1	178	1	178	1	178	1
Wisconsin.....	1,673	11	1,703	11	1,703	11	1,703	11
Wyoming.....	-	-	127	1	127	1	127	1
Distribution Unknown.....	3,196	-	2,416	-	427	-	3,427	7
Obligations.....	72,044	409	72,163	409	67,000	394	70,345	403
Lapsing Balances.....	593	-	474	-	-	-	-	-
Bal. Available, EOY.....	-	-	-	-	-	-	-	-
Total, Available.....	72,637	409	72,637	409	67,000	394	70,345	403

OBJECT CLASSIFICATION

Table RMA-12. Classification by Objects – Discretionary Funding (thousands of dollars)⁹

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Personnel Compensation:					
	Washington D.C.	\$1,880	\$2,130	\$1,961	\$2,284
	Personnel Compensation, Field.....	47,798	50,000	39,000	41,710
11	Total personnel compensation.....	49,678	52,130	40,961	43,994
12	Personal benefits	18,914	20,033	26,039	25,351
	Total, personnel comp. and benefits	68,592	72,163	66,000	69,345
Other Objects:					
21.0	Travel and transportation of persons.....	1,556	-	-	-
22.0	Transportation of things.....	11	-	-	-
23.1	Rental payments to GSA.....	9	-	-	-
23.2	Rental payments to others.....	2	-	-	-
23.3	Communications, utilities, and misc. charges ...	1	-	-	-
24.0	Printing and reproduction	4	-	-	-
25	Other contractual services.....	105	-	-	-
25.2	Other services from non-Federal sources	327	-	-	-
25.3	Other goods and services from Federal sources	77	-	-	-
25.4	Operation and maintenance of facilities.....	1,200	0	1,000	1,000
25.7	Operation and maintenance of equipment	1	-	-	-
26.0	Supplies and materials.....	69	-	-	-
31.0	Equipment	12	-	-	-
42.0	Insurance Claims and Indemnities.....	78	-	-	-
	Total, Other Objects	3,452	0	1,000	1,000
99.9	Total, new obligations.....	72,044	72,163	67,000	70,345
Position Data:					
	Average Salary (dollars), ES Position	\$202,242	\$210,356	\$210,356	\$210,356
	Average Salary (dollars), GS Position.....	\$113,692	\$124,493	\$124,493	\$124,493
	Average Grade, GS Position	14.4	13.4	13.4	13.4

⁹ This table does not match MAX Schedule O due to reimbursables.

ACCOUNT 2: FEDERAL CROP INSURANCE CORPORATION

APPROPRIATIONS LANGUAGE

The appropriations language follows (new language underscored; deleted matter enclosed in brackets):

Federal Crop Insurance Corporation Fund

For payments as authorized by section 516 of the Federal Crop Insurance Act (7U.S.C. 1516), such sums as may be necessary, to remain available until expended.

LEAD-OFF TABULAR STATEMENT

Table RMA-13. Lead-Off Tabular Statement (In dollars)

Item	Amount
Estimate, 2026	\$17,503,000,000
Change in Appropriation	+ 533,000,000
Budget Estimate, 2027	<u>18,036,000,000</u>

PROJECT STATEMENTS

Table RMA-1411. Project Statement on Basis of Appropriations (thousands of dollars)¹⁰

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.	Chg Key
Mandatory Appropriations:						
Mandatory Appropriations	\$10,341,000	\$13,854,000	\$17,488,000	\$18,018,000	+\$530,000	
Subtotal Mand. Approps.....	10,341,000	13,854,000	17,488,000	18,018,000	+530,000	
Total Adjusted Approp	10,341,000	13,854,000	17,488,000	18,018,000	+530,000	
Add back:						
Transfers In and Out, Rescissions	13,000	13,000	13,000	16,000	+3,000	
Sequestration	2,000	2,000	2,000	2,000	-	
Total Appropriation	10,356,000	13,869,000	17,503,000	18,036,000	+533,000	(1)
Transfers In:						
AMA Funding.....	4,000	4,000	4,000	4,000	-	
Total Transfers In	4,000	4,000	4,000	4,000	-	
Transfers Out:						
NIFA	-10,000	-10,000	-10,000	-10,000	-	
S & E	-7,000	-7,000	-7,000	-10,000	-3,000	
Total Transfers Out.....	-17,000	-17,000	-17,000	-20,000	-3,000	
Sequestration	-2,000	-2,000	-2,000	-2,000	-	
Offsetting Collections, Other	11,723,000	7,273,000	6,968,000	6,965,000	-3,000	
Bal. Available, SOY	594,000	598,000	604,000	607,000	+3,000	
Total Available	22,657,000	21,724,000	25,060,000	25,590,000	+530,000	
Bal. Available, EOY.....	-598,000	-604,000	-607,000	-610,000	-3,000	
Total Obligations.....	<u>22,059,000</u>	<u>21,120,000</u>	<u>24,453,000</u>	<u>24,980,000</u>	<u>+527,000</u>	

Table RMA-1512. Project Statement on Basis of Obligations (thousands of dollars)¹¹

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Mandatory Obligations:					
Mandatory Appropriations	\$22,059,000	\$21,120,000	\$24,453,000	\$24,980,000	+\$527,000
Subtotal Mand Obligations	22,059,000	21,120,000	24,453,000	24,980,000	+527,000
Total Obligations.....	22,059,000	21,120,000	24,453,000	24,980,000	+527,000
Add back:					
Balances Available, EOY:					
Balances Available, EOY	598,000	604,000	607,000	610,000	+3,000
Total Bal. Available, EOY	598,000	604,000	607,000	610,000	+3,000
Total Available	22,657,000	21,724,000	25,060,000	25,590,000	+530,000
Less:					
Total Transfers In	-4,000	-4,000	-4,000	-4,000	-

¹⁰ This table does not match MAX Schedule X due to reimbursables.

¹¹ This table does not match MAX Schedule X due to reimbursables.

Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
Total Transfers Out.....	17,000	17,000	17,000	20,000	+3,000
Sequestration.....	2,000	2,000	2,000	2,000	-
Offsetting Collections, Other.....	-11,722,000	-7,272,000	-6,968,000	-6,965,000	+3,000
Bal. Available, SOY.....	-594,000	-598,000	-604,000	-607,000	-3,000
Total Appropriation.....	10,356,000	13,869,000	17,503,000	18,036,000	+533,000

JUSTIFICATION OF CHANGES

Federal crop insurance protects against agricultural losses due to drought, excessive moisture, hail, wind, hurricane, tornado, lightning, and insects. These estimates include current law and do not assume any proposed legislative changes.

- 1) Federal Crop Insurance Corporation (FCIC) Fund: An estimated net increase of \$533,000,000 (\$17,503,000,000 estimated in 2026). The project statement reflects changes for 2026 and 2027 for the Premium Subsidy, Administrative and Operating (A&O) Expense Subsidy (also called Delivery Expense), Underwriting Gain, and Federal Crop Insurance Initiatives due to projections being updated using the World Agricultural Outlook Board (WAOB) estimates from November 2025 and the effects of implementing crop insurance enhancements resulting from Working Families Tax Cuts Act (Public Law 119-21). In addition, the use of an updated budget model allows projections to be based on more accurate calculations.

The funding changes for 2027 are requested for the following items:

- a) An increase of \$155,000,000 for premium subsidy (\$12,665,000,000 available in 2026). Premium subsidy is the amount of total premium paid by FCIC on behalf of producers. Premium subsidy increased primarily due to an administrative decision in 2024 by the Federal Crop Insurance Board to make Enhanced Coverage Option (ECO) have the same premium subsidy rate as Supplemental Coverage Option (SCO), which has its premium subsidy rate specified in statute. As a result of this decision, ECO premium subsidy went from 44 percent to 65 percent between 2024 and 2025. Moreover, when Working Families Tax Cuts Act (Public Law 119-21) increased the premium subsidy for SCO from 65% to 80%, the Board continued ECO’s linkage, and increased the premium subsidy for ECO to 80% as well. The initial change resulted in the amount of premium sold for ECO to increase 4 times over between 2024 and 2025. This growth is expected to continue with the increased subsidy to 80% beginning in the 2026 reinsurance year. In fact, this decision to link ECO to SCO results in increasing the estimated outlays for the Federal Crop Insurance by \$3B/year or \$30B over 10 years. The increased premium subsidy also reflects normalizing estimates for how much producer paid in premium will be collected, which is lower than the actual collections in prior years.
- b) An increase of \$385,000,000 for mandatory delivery expense (\$2,520,000,000 available in 2026). Delivery expenses, commonly referred to as A&O, increased due to two main reasons. First, the Working Families Tax Cuts Act (Public Law 119-21) added an inflation factor to the cap on delivery expenses, increasing the total A&O allowed to be paid out for plans of insurance in place in as of 2011. Second, the A&O paid to plans of insurance not subject to the cap (those created after 2011), also increased due primarily to an administrative decision in 2024 by the Federal Crop Insurance Board to make Enhanced Coverage Option (ECO) have the same premium subsidy rate as Supplemental Coverage Option (SCO), which has its premium subsidy rate specified in statute. As a result of this decision, ECO premium subsidy went from 44% to 65% between 2024 and 2025. Moreover, when Working Families Tax Cuts Act (Public Law 119-21) increased the premium subsidy for SCO from 65% to 80%, the Board continued ECO’s linkage, and increased the premium subsidy for ECO to 80% as well. The initial change resulted in the amount of premium sold for ECO to increase 4 times over between 2024 and 2025. Since neither SCO or ECO is subject to the A&O cap, the increased sales significantly increased total A&O, which is derived as a percent of premium sold. In fact, this decision to

link ECO to SCO results in increasing the estimated outlays for the Federal Crop Insurance by \$3B/year or \$30B over 10 years.

- c) A decrease of \$7,000,000 for underwriting gains (\$2,273,000,000 available in 2026).
Underwriting gains are a reinsured company’s share of net book premium that exceeds their share of net losses (indemnities). The decrease is due to Underwriting Gain and Losses normalizing in future years based on a projected loss ratio of 1.0 for 2027 and the out years.
- d) A decrease of \$3,000,000 in the Other Mandatory Appropriations (\$30,000,000 available in 2026).
This is the net appropriation after the \$10 million transfer to RMA’s Salaries and Expenses account. This funding is authorized in the Federal Crop Insurance Act for reviews, compliance, and integrity. The Working Families Tax Cuts Act (Public Law 119-21) increased this amount from \$7 million to \$10 million. Funding in 2027 reflects that RMA is transferring the full \$10 million available rather than the historical \$7 million that had been transferred in previous years through 2026.

Table RMA-16. Federal Crop Insurance Corporation Total Appropriations (thousands of dollars)

Allocations	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated	Inc. or Dec.
PPA:					
Indemnities Net of Producer					
Paid in Premiums	\$5,769,000	\$8,532,000	\$12,665,000	\$12,820,000	+\$155,000
Delivery expense	2,436,000	2,840,000	2,520,000	2,905,000	385,000
Underwriting Gains	2,111,000	2,470,000	2,273,000	2,266,000	-7,000
Other Mandatory					
Appropriations	25,000	12,000	30,000	27,000	-3,000
Total Appropriation	10,341,000	13,854,000	17,488,000	18,018,000	530,000

GEOGRAPHIC BREAKDOWN OF OBLIGATIONS

Table RMA-17. Geographic Breakdown of Obligations by state for Federal Crop Insurance Corporation (thousands of dollars)

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Alabama	\$99,778	\$177,655	\$205,691	\$210,124
Alaska	26	-	-	-
Arizona	199,369	266,719	308,811	315,466
Arkansas	244,303	373,395	432,321	441,639
California	1,162,891	1,023,911	1,185,497	1,211,046
Colorado	331,890	255,949	296,341	302,728
Connecticut	16,748	4,638	5,370	5,486
Delaware	2,946	9,770	11,312	11,556
Florida	341,119	773,238	895,265	914,559
Georgia	316,545	570,959	661,063	675,310
Hawaii	4,733	8,053	9,324	9,525
Idaho	168,056	219,980	254,696	260,185
Illinois	481,953	336,668	389,798	398,199
Indiana	113,717	248,276	287,457	293,652
Iowa	1,259,641	581,007	672,697	687,195
Kansas	1,712,363	873,179	1,010,978	1,032,766
Kentucky	114,611	196,156	227,112	232,006
Louisiana	216,790	292,373	338,513	345,809
Maine	18,634	6,292	7,285	7,442
Maryland	21,509	43,732	50,633	51,725
Massachusetts	7,514	3,755	4,348	4,441
Michigan	228,911	161,136	186,565	190,586
Minnesota	1,103,687	1,027,432	1,189,574	1,215,211

State/Territory/Country	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
Mississippi	151,541	249,181	288,505	294,723
Missouri.....	444,330	280,950	325,287	332,298
Montana.....	284,695	369,458	427,763	436,982
Nebraska.....	1,266,935	537,242	622,026	635,431
Nevada	72,578	163,194	188,948	193,020
New Hampshire.....	1,314	766	887	906
New Jersey.....	5,926	15,355	17,778	18,161
New Mexico.....	195,603	191,418	221,626	226,403
New York	83,977	102,075	118,184	120,731
North Carolina	344,434	430,029	497,893	508,623
North Dakota.....	818,730	563,281	652,174	666,229
Ohio.....	89,915	319,319	369,712	377,679
Oklahoma	370,915	395,600	458,031	467,902
Oregon.....	161,510	176,429	204,272	208,674
Pennsylvania	42,519	96,370	111,578	113,983
Rhode Island	298	167	193	198
South Carolina.....	153,319	129,732	150,205	153,442
South Dakota	782,315	508,523	588,774	601,463
Tennessee.....	64,440	223,563	258,844	264,423
Texas.....	2,760,576	2,683,967	3,107,531	3,174,503
Utah	53,298	66,446	76,932	78,590
Vermont.....	8,511	4,357	5,045	5,153
Virginia.....	73,847	122,168	141,448	144,496
Washington	595,097	689,101	797,850	815,045
West Virginia	5,307	11,681	13,524	13,816
Wisconsin.....	367,810	242,554	280,832	286,884
Wyoming	38,409	74,523	86,284	88,143
Distribution Unknown.....	4,653,114	5,018,278	5,810,225	5,935,444
Obligations	22,059,000	21,120,000	24,453,000	24,980,000
Bal. Available, EOY.....	598,000	604,000	607,000	610,000
Total, Available.....	22,657,000	21,724,000	25,060,000	25,590,000

OBJECT CLASSIFICATION

Table RMA-18. Classification by Objects – Mandatory Funding (thousands of dollars)¹²

Item No.	Item	2024 Actual	2025 Actual	2026 Estimated	2027 Estimated
25.2	Advisory and assistance services	\$25,000	\$12,000	\$26,000	\$23,000
25.2	Other services from non-Federal sources	4,547,000	5,310,000	4,793,000	5,171,000
25.3	Other goods and services from Federal sources.....	46,000	36,000	49,000	49,000
42.0	Insurance Claims and Indemnities, Federal	5,767,000	8,529,000	12,655,000	12,820,000
42.0	Insurance Claims and Indemnities, Non-Federal.....	11,674,000	7,233,000	6,920,000	6,917,000
	Total, Other Objects	22,059,000	21,120,000	24,453,000	24,980,000
99.9	Total, new obligations.....	22,059,000	21,120,000	24,453,000	24,980,000

¹² This table does not match MAX Schedule O due to reimbursables.

STATUS OF PROGRAMS

The Federal Crop Insurance Corporation (FCIC), through the Risk Management Agency (RMA), administers the Federal crop insurance program in accordance with the 1938 Federal Crop Insurance Act (FCIA) (7 U.S.C. 1501 et seq.) as amended. RMA was established in 1996 as an agency within the United States Department of Agriculture (USDA) to administer the programs of FCIC, which is tasked to improve the economic stability of agriculture through a sound system of crop insurance and provide the means for the research and experience that is helpful in devising and establishing crop insurance. While crop insurance has been heavily subsidized to incentivize participation and remove the need for Ad-Hoc Disaster Supplemental Funding, in recent years Congress has regularly provided billions in payments to farmers in addition to the crop insurance benefits provided after disasters and revenue losses. This is RMA’s and the FCIC’s mission, which is to serve America’s agricultural producers through effective, market-based risk management tools and solutions to strengthen the economic stability of agricultural producers and rural communities.

Current Activities:

Maintaining Actuarial Soundness

As required by FCIA, RMA engages in frequent and ongoing analysis to ensure that the program is operating in an actuarially sound manner: premiums cover expected losses. The loss ratio, the industry standard to measure performance of insurance programs, is calculated by dividing the total indemnity by the total premium, which is a measure of indemnity (loss) paid per dollar of premium (revenue) collected. The FCIA mandates a 1.0 loss ratio plus a reasonable reserve. RMA is achieving this goal on average. Given annual variations in the local and regional impacts of disaster events, long-run program stability and actuarial soundness are measured based on averages not the results for any given year. The most recent 20-year average loss ratio for the crop insurance program is 0.81 while the 30-year average is 0.86. More recently, the 5-year average loss ratio is 0.91. However, these results do not include the cost of delivering the crop insurance and other federal subsidies which result in the program always operating at a cost to the taxpayers.

National Financial Operational Reviews (NFOR)

Federal crop insurance is a public/private partnership. Approved Insurance Providers (AIPs) must meet statutory requirements and demonstrate the financial and operational capacity to be an AIP and enter into a Standard Reinsurance Agreement (SRA) with FCIC. RMA enhances program integrity and oversight by performing National Financial and Operational Reviews (NFORs) of the AIPs who sell and service crop insurance. These reviews are conducted once every three years for each AIP. The purpose of the NFORs is to evaluate the financial stability and operations of the AIPs in accordance with the SRA and policies and procedures of the Federal crop insurance program. This performance ties directly to RMA’s goal “to safeguard the integrity of the Federal crop insurance program.”

FCIC’s Improper Payment Rate

Table RMA-19 Improper Payments (millions of dollars)

FCIC Program Fund	2022	2023	2024	2025
Improper Payment (IP) %	2.58%	2.64%	2.43%	3.29%
Improper Payments	\$305	\$370	\$579	\$755

RMA is the issuer of each Approved Insurance Provider’s (AIPs) Standard Reinsurance Agreement. These agreements, in part, require AIPs to establish internal controls that, in return, reduce improper payments. Additionally, RMA provides a wealth of resources, as well as annual training to educate industry partners on the Federal Crop Insurance Corporation’s (FCIC’s) policies and procedures. At the end of the Improper Payment review cycle RMA conducts a comprehensive analysis of the review results in order to develop effective corrective action plans that focus on the root causes of improper payments. This strategic methodology aids in reducing improper payments. RMA also informs AIPs of

the types of errors (i.e. acreage reporting, APH, claims, etc.) identified to raise awareness and promote collaboration in reducing improper payments.

For a third year, RMA's improper payment review resulted in the amount of improper dollars associated with certification errors being significantly lower than the amount of improper dollars associated with administrative, process, and/or procedural type errors. While this shift indicates the success of prior corrective action plans, it also exhibits RMA's obligation to continue focusing on root causes directly associated with administrative, process, and/or procedural errors going forward.

RMA's continuous analysis of root causes of errors and implementation of corrective action plans that help remediate improper payments has allowed the agency to maintain a tolerable error rate for 10 years, signifying the effectiveness of the measures taken to reduce improper payments.

Fraud, Waste, and Abuse

RMA continues to utilize data-mining, geospatial analysis and other advanced data analytics to identify potentially fraudulent activity and stem abuse in the crop insurance program. To augment the agency's capabilities, RMA engages in research support contracts with the Center for Agribusiness Excellence (CAE) at Tarleton State University, the PRISM Climate Group at Oregon State University, and the University of Illinois at Urbana Champaign. In order to produce the congressionally mandated outcomes of this effort, RMA developed the Spot Check List (SCL) and the Agriculture Risk Protection Act (ARPA) list. The SCL is the most well-known, comprehensive, and routine application of data mining to the Federal crop insurance program, where RMA uses objective, data-driven criteria to develop a list of producers, agents, and adjusters whose crop insurance experience is historically anomalous relative to similarly situated producers in the geographic area. ARPA requires the annual production of the SCL and ARPA lists to support this effort. The SCL and ARPA products, and other advanced analytics efforts play an important and essential role in the delivery of the crop insurance program including claim determination, timely payment of indemnities, county rating which effects crop program availability and premium levels, and the meeting of time-based compliance with congressionally mandated reviews.

RMA works hand-in-hand with USDA's Office of the Inspector General (OIG) to address cases of potential fraud, waste, and abuse. RMA refers all allegations of fraud to OIG, as appropriate, and collaborates with OIG to develop the case for presentation to the Department of Justice.

Selected Examples of Recent Progress:

Working Families Tax Cuts Act (PL 119-21)

RMA implemented all producer-facing aspects of the President's landmark legislation. This included increasing affordability of both individual policies, and Supplemental Coverage Option endorsements. RMA also extended eligibility for new and beginning farmers and ranchers to the first 10 years as a producer, giving them access to additional premium support, relaxed yield history rules, and the waiver of administrative fees. RMA also increased the level of premium support for the first 4 years of their status. RMA is also working on new insurance options for poultry. The total increase costs for these enhancements in the new law exceeds \$10 billion over ten years.