

One Big Beautiful Bill

The OBBB Act was enacted on July 4, 2025, and introduces various enhancements to agricultural policy. Here is a brief overview.



Crop Division

ARC & PLC

Statutory reference prices increase by 10-20% (varies by commodity).

Corn: \$4.10 Soybeans: \$10 Wheat: \$6.35



Farmers can receive the higher ARC or PLC payment for 2025, regardless of their 2025 election or if they purchased SCO.

For 2026, farmers can purchase SCO with ARC.

Effective reference price will be calculated based on 88% of the Olympic-average of the previous five years versus 85%.

Supplemental Coverage Option (SCO)



Increases the max SCO coverage level to 90%. Increases the premium discount to 80% for SCO.

Program Compliance & Integrity

Provides \$4 million through 2025 and \$6 million each year thereafter for program compliance activities.



Provides \$10 million per year for policy reviews, including for reviews of the financial integrity of the system and actuarial soundness.

Premium Cost Share

Boosts premium assistance for individual policies by 5 percentage points for coverages up to 75%, and by 3 percentage points for coverage levels of 80% and 85%.



Beginning Farmer and Rancher

10

YEARS

Extends beginning farmer and rancher benefits from five years to ten years, with a stair-step down in the premium assistance benefits.

A&O Expense Adjustments

Provides for an additional loss adjustment expense payment in specified states where the loss ratio is greater than 120 beginning in Reinsurance Year (RY) 2026.



Provides a minimum A&O for specialty crop policies of 17%.

Provides for an inflation adjustment for A&O.

Whole Farm Revenue

Allows whole farm policy coverage to increase to 90%.



Poultry Insurance Pilot Program

Requires the establishment of a poultry insurance pilot policy.

