



Institute of
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FOR IMMEDIATE RELEASE

Barley Crop Insurance Changes

Now is the time for malting barley growers to begin keeping detailed records of malting barley production and sales. The Federal Crop Insurance Corporation (FCIC) is in the midst of rewriting and simplifying large sections of the current Common Crop Insurance Regulations often referred to as the COMBO project. These changes could result in a contract fulfillment requirement under Option B of the malting barley endorsement. "We don't know what the final FCIC rule will look like, but we do know that the proposed rule had a contract fulfillment requirement", said Scott Heisel of the American Malting Barley Association, Inc. (AMBA).

The National Barley Growers Association (NBGA) and AMBA opposed these fulfillment requirements and it remains to be seen if or how they will be implemented. Ms. Kelly Olson of the Idaho Barley Commission stated that "new rules are expected to be implemented beginning in 2011". She also noted that "We hope there will be a new program available for specialty barleys (eg. Hulless, Waxy, & Malting) in 2010." This program will cover yield losses based on a contract price rather than on the current system of a nationally set feed barley price. It won't have coverage for quality losses, but should prove very attractive to many growers.

As the harvest approaches, it would be wise for producers to examine their current coverage. One often overlooked piece of the malting barley endorsement is the incentive to condition. Growers can collect indemnities to cover conditioning costs to increase plumpness or reduce protein levels as long as these costs do not exceed those that would result in the case where the barley is not delivered under the contract. This may be valuable tool for growers wishing to raise their contract fulfillment rates.