**USDA** | **United States Department of Agriculture**

**RMA**

Program Aid Number 1667-02

*A Risk Management Agency Fact Sheet*

# About the Risk Management Agency

June 2003 (orig. May 2000)

The Risk Management Agency (RMA) is part of USDA. Our role is to help producers manage their business risks through effective, market-based risk management solutions. RMA's mission is to promote, support, and regulate sound risk management solutions to preserve and strengthen the economic stability of America's agricultural producers. As part of this mission, RMA operates and manages the Federal Crop Insurance Corporation (FCIC). RMA was created in 1996; the FCIC was founded in 1938.

RMA employs approximately 530 people in offices around the country. The administrative budget is nearly $71 million (fiscal year (FY) 2003). Meanwhile, the size of the program has grown tremendously (see chart, p. 2). In FY 2002, RMA is estimated to have managed over $40 billion worth of insurance liabilities (see table).

RMA Administrator Ross J. Davidson, Jr., was appointed in March 2002. He also serves as the manager of the FCIC. Located within the Office of the Administrator is the Director of External Affairs, the Director of Civil Rights and Outreach, the Director of Program Support and Chief Information Officer, the Chief Financial Officer, and the Secretary to the Board of Directors of the FCIC.

The agency currently has three divisions: Insurance Services, Research and Development (R&D), and Risk Compliance. Insurance Services is responsible for program delivery (e.g., managing the contracts with the companies that sell and service the policies), and local program adminis-

tration and support. R&D is responsible for overseeing product development. Risk Compliance monitors compliance with program provisions by both producers and the insurance companies that sell and services policies.

RMA, via the FCIC, provides crop insurance to American producers. Fourteen private-sector insurance companies sell and service the policies. RMA develops and/or approves the premium rate, administers premium and expense subsidy, approves and supports products, and reinsures the 14 companies. In addition, RMA sponsors educational and outreach programs and seminars on the general topic of risk management.

Additional information about RMA can be found on its web site, including agency news, state profiles and other publications, summaries of insurance sales, information on pilot programs, downloadable crop policies, and agency-sponsored events. The site also features online tools, calculator, and applications. The most popular applications are the Agent Locator, Premium Calculator, and Summary of Business.

## FY2002 Program Size

| | |
|---|---|
| Number of Policies | 1.26 million |
| Premium Volume | $3.06 billion |
| Crop Value Insured | $40.63 billion[1] |
| Acres Insured | 215.53 million |

Data accurate as of June 17, 2003.
[1]Estimate.

## Contact Us
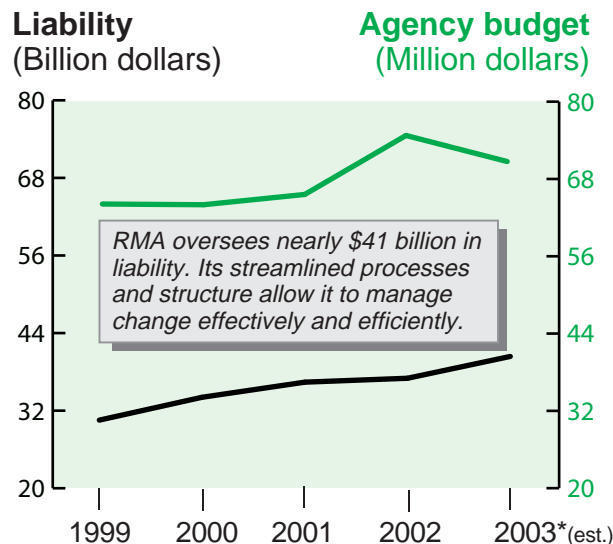
RMA-USDA
Stop 0801
1400 Independence Ave., SW
Washington, DC  20250-0801
**Web site:** www.rma.usda.gov
**E-mail:** RMA_mail@wdc.usda.gov

# Commodities Insured for the 2003 Crop Year

Adjusted Gross Revenue
**Adjusted Gross Revenue-Lite**
Alfalfa Seed
All other citrus trees
All other grapefruit
Almonds
Apples
Avocados (APH, Revenue)
Avocado Trees (Florida)
Barley (APH, IP)
Blackberries/Raspberries
Blueberries
Burley Tobacco
Cabbage
Canola (APH, RA)
Cherries (Dollar)
Chile Peppers
Cigar Binder, Filler and Wrapper Tobacco
*Citrus:*
  ♦ Grapefruit
  ♦ Lemons
  ♦ Limes
  ♦ Mandarins
  ♦ Murcotts
  ♦ Navel Oranges (Dollar)
  ♦ Oranges
  ♦ Tangelos
  ♦ Tangerines
Citrus Trees
Clams

Corn (APH, CRC, GRIP, GRP, IP, RA)
Cotton (APH, CRC, GRP, IP)
Cotton Ex Long Staple
Crambe
Cranberries
Cultivated Wild Rice
Dark Air Tobacco
Dry Beans
Dry Peas
Early, Midseason and Late Oranges
Figs
Fire-cured Tobacco
Flax
*Florida Fruit Trees:*
  ♦ Carambola
  ♦ Grapefruit
  ♦ Lemon
  ♦ Lime
  ♦ Orange
  ♦ All other citrus trees
Flue-cured Tobacco
Forage Production (APH, GRP)
Forage Seed (Alfalfa)
Forage Seeding
Fresh Apricots
Fresh Freestone Peaches
Fresh Market Beans
Fresh Market Sweet Corn
Fresh Market Tomatoes

Fresh Nectarines
Grain Sorghum (APH, CRC, GRP, IP)
Grapes
Green Peas
Hybrid Corn Seed
Hybrid Sorghum Seed
**Livestock (Swine)**
Macadamia Nuts
Macadamia Trees
Mango Trees
Maryland Tobacco
Millet
Minneola Tangelos
Mint
Mustard
Nursery (FG&C)
Oats
Onions
Orlando Tangelos
Peaches
Peanuts (APH, GRP)
Pears
Pecans
Peppers
Plums
Popcorn
Potatoes
Processing Apricots
Processing Beans
Processing Cling Peaches
Processing Cucumbers

Processing Freestone
Prunes
Raisins
Rangeland (GRP)
Raspberries/Blackberries
Rice (APH, CRC)
Rye
Safflower
Soybeans (APH, CRC, GRIP, GRP, Indexed IP, IP, RA)
Stonefruit
  ♦ CA Apricots
  ♦ CA Nectarines
  ♦ CA Peaches
Strawberries
Sugar Beets
Sugarcane
Sunflowers
Sweet Corn
Sweet Oranges
Sweetpotatoes
Swine
Table Grapes
Tobacco
Tomatoes (Canning and Processing)
Valencia Oranges
Walnuts
Wheat (APH, CRC, GRP, IP, RA)
Winter Squash

**Note:** These policies represent over 36,000 county crop programs. Items in **bold** are new for 2003.

## Size of Program and Costs

**Liability**
(Billion dollars)

**Agency budget**
(Million dollars)



*RMA oversees nearly $41 billion in liability. Its streamlined processes and structure allow it to manage change effectively and efficiently.*

## Download Copies from the Web

Visit our online publications/factsheets page at: www.rma.usda.gov/pubs/rme/fctsht.html