

News Release

USDA Expands Hurricane Insurance Protection to Include Certain Tropical Storms

WASHINGTON, Feb. 14, 2023 – Farmers may now be eligible for further protection against damaging tropical storms. After hearing directly from agricultural producers, the U.S. Department of Agriculture (USDA) is expanding its Hurricane Insurance Protection-Wind Index (HIP-WI) Endorsement with a Tropical Storm Option. USDA’s Risk Management Agency (RMA) will offer this option for the 2023 crop year.

“During the past few years, many farmers have felt the impacts of tropical activity, and it’s important that we offer risk management tools to protect agricultural producers and their operations,” said RMA Administrator Marcia Bunger. “Adding this Tropical Storm Option is in response to feedback from our customers.”

HIP-WI was first available for purchase for the 2020 hurricane season and covers a portion of the deductible of the underlying crop insurance policy when the county, or an adjacent one, is hit with sustained hurricane-force winds from a named hurricane based on data from the National Hurricane Center at the National Oceanic and Atmospheric Administration (NOAA).

RMA has now added the Tropical Storm Option to this endorsement for damage caused by strong weather systems not categorized as hurricanes. **The option would cover named tropical storms, as reported by NOAA with maximum sustained winds exceeding 34 knots and precipitation exceeding six inches over a four-day period. Both the wind trigger and precipitation trigger must occur for an indemnity to be paid.**

The HIP-WI endorsement, including the new Tropical Storm Option, are available in select counties in Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Louisiana, Maine, Maryland, Massachusetts, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Texas, Vermont, and Virginia.

During the past three years, HIP-WI has been a successful risk management tool for many in effected areas, with nearly \$550 million paid in indemnities to date. As an example, 2022’s Hurricane Ian resulted in almost \$300 million in indemnity of which about \$260 million is attributed to HIP-WI.

More Information

Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers and online at the RMA Agent Locator. Learn more about crop insurance and the modern farm safety net at rma.usda.gov or by contacting your RMA Regional Office.