



## SONNENBERG AGENCY, LLC

### Things You Need to Know:

- **SALES CLOSING DATE**  
for spring crop policies is March 15th. Coverage level changes, new policy Applications, and cancellations are due by 3/15.
- **SIGNATURE CHANGE** —  
There is no longer a mandated specific format for signatures!
- **COST OF PRODUCTION**  
has increased for all crops: wheat, corn, grain sorghum, and barley are all up nearly 30%

### Information to Know

- ◆ *The next Farm Bill is estimated to be \$1.5 trillion in size—and over 82% of it will likely be SNAP*
- ◆ *Everyone should have a POA or Authorized Rep on their crop insurance policy*
- ◆ *EFT's (electronic funds transfers) are now available even if the policy has an Assignment of Indemnity*
- ◆ *BFR (Beginning Farmer & Rancher) is now a 10-year benefit instead of 5 years*

**We're on the web:  
[sonnenbergagency.com](http://sonnenbergagency.com)**

## CLIP (Crop & Livestock Income Protection)

### THIS IS A NEW POLICY

CLIP is new for 2026. It is umbrella **Revenue Coverage** that is applicable when 2 or more covered commodities are planted and insured. The umbrella coverage can be up to 85%.

It is currently offered in 13 states—Colorado and Nebraska are two of them. The only livestock policy that is eligible is Weaned Calf (which is typically not written due to the premium and unnecessary policy complexities).

The most commonly-planted crops that are covered by CLIP are:

- ⇒ Corn
- ⇒ Grain Sorghum
- ⇒ Barley
- ⇒ Oats
- ⇒ Sunflowers

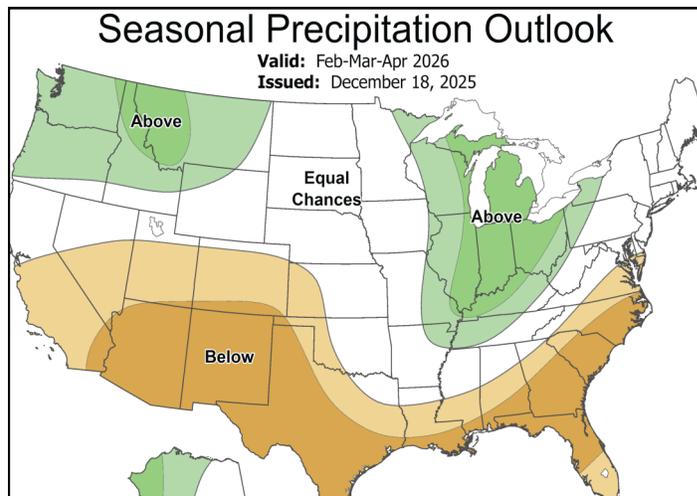
⇒ Soybeans

For the above commodities to be insured under CLIP, they must have Revenue Protection in-place on the underlying MPCI policy. CLIP has a 15% \*approximate average\* Effective Premium Rate, and coverage is capped at 25% more than your lowest MPCI crop

coverage level (this may mean CLIP coverage lower than 85%).

Wheat should be insurable under CLIP in 2027. Millet and Sugar Beets are not eligible commodities because Revenue Protection is not offered by MPCI.

**CLIP must be added by the March 15th Sales Closing.**



## “One Big Beautiful Bill Act” —adjacent updates

Technically, neither the SDRP payments nor the “Bridge” Payments are part of the One Big Beautiful Bill Act (OBBBA). Instead they are designed to provide some financial relief until the long-term provisions of the OBBBA take effect.

(1) The FSA “Bridge” Payments are supposed to be more immediate relief—a

“bridge” before the long-term farm safety-net enhancements. Here are a few payment rates per acre:

- ⇒ Corn = \$44 / Wheat = \$39 / Barley = \$20 / Sorghum = \$48

Payments will be based on 2025 planted acres, and from what we have heard, Applications are due towards the end of January. **Call the**

**FSA Office with questions about completing a “Bridge” Application.**

(2) FSA SDRP Stage 2 payments are supposed to cover qualifying “shallow” losses from 2023 & 2024. The design is to help pay for losses not fully covered by crop insurance (i.e. the deductible). Applications are due by April 30, 2026.



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*All crop insurance companies now  
accept electronic payments and can  
pay claims with direct deposit*



## Livestock Risk Protection (LRP) Policy

The LRP Policy for feeder cattle, fed cattle, and (now) unborn steers/heifers is designed to insure against declining market prices. The pricing is indexed from the Chicago Mercantile Exchange (CME) Cash Index Price. Our region is comprised of 12 states (Colorado, Iowa, Kansas, Missouri, Montana, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas and Wyoming).

A policy can be written throughout the year and insurance does not attach until a Specific Coverage Endorsement (SCE) is purchased. An SCE is the Coverage Price, the length of

the policy (Endorsement Length), the Target Weight and the Number of Head insured.

Premium is billed the second month AFTER the Endorsement ends, and is subsidized at 35%. The policy **ONLY COVERS** a change in price (if the Ending Value is less than the Coverage Price).

It does not cover mortality, condemnation, physical damage, disease, individual marketing decisions, and local price aberrations. But there is now a drought-hardship exemption for feeder cattle.

## Written Agreements

A crop insurance Written Agreement is a case-by-case contract to get coverage for a crop or practice that is not normally insurable in a county. It requires work from the agent, the insurance company, and acceptance by RMA. If the Written Agreement proposal is found acceptable by RMA (the government), the coverage offering is then sent back to the insured for final acceptance or rejection.

In our area, Written Agreements are written for crops like Black-Eyed Peas and Camelina. **For spring crops, a Written Agreement has to be submitted by March 1st.**

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equal opportunity provider."*