

WHAT'S NEW · LIVESTOCK INSURANCE

Changes at a Glance.

RY2027 Overview. Reinsurance Year 2027 introduces meaningful changes across DRP, LRP, and LGM — including concurrent coverage between programs, enhanced beginning farmer subsidies, and several program-specific updates. The upcoming changes listed on this page will be **effective starting July 1, 2026.**

ALL PROGRAMS

Concurrent coverage now allowed

DRP / LGM-Dairy and LRP / LGM-Cattle can now be used together for the same coverage period. USDA evaluates the combined insured amount against actual production or marketings, not each policy independently.

Requirements:

- Both policies must be with the same Authorized Insurance Provider (AIP).
- Total combined production cannot exceed actual production limits. If it does, indemnities are prorated, while premium is charged in full.
- Applies only to coverage booked on or after July 1, 2026. Prior coverage cannot be made concurrent.

ALL PROGRAMS

Beginning Farmer & Rancher subsidies

Replaces the prior flat +10% subsidy increase for years 1–5. Now tiered across the first 10 years of operation:

YR 1–2 +15%	YR 3 +13%	YR 4 +11%	YR 5–10 +10%
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PROGRAM-SPECIFIC CHANGES

DRP · LRP · LGM

DRP 01 *Dairy Revenue Protection* CHANGE

I. SALES CLOSING PERIOD

Weekend and holiday deadlines now close the next calendar day at 9 am CT. For example, Friday coverage must be submitted by Saturday at 9 am CT, rather than Sunday.

LRP 06 *Livestock Risk Protection* CHANGES

I. CULL COW COVERAGE EXTENDED

Coverage horizon expanded from 13 weeks to 52 weeks out.

II. DYNAMIC PAF FOR DAIRY FEEDERS

Static 0.5 Price Adjustment Factor replaced with dynamic values for Weight 1 and Weight 2 classes of predominantly dairy and unborn dairy feeder cattle.

III. FORAGE DISASTER EXEMPTION

Renamed from "Drought Hardship Exemption." Triggers expanded to include persistent drought during grazing and forced sales from fire or natural disasters.

IV. HIGHER FED CATTLE WEIGHT LIMITS

Maximum weight raised for steers/heifers from 16 to 18 cwt, and for cull cows from 15 to 17 cwt.

V. NEW UNBORN FEEDER WEIGHT CLASS

New Weight 2 class (6–9 cwt) for unborn bulls & heifers, Brahman, and dairy.

VI. CATTLE INVENTORY REPORT

Sales closed on biannual USDA Cattle Inventory report release days.

LGM 05 *Livestock Gross Margin · Dairy & Cattle* CHANGES

I. HIGHER OVERALL MAX WEIGHT

LGM-Cattle maximum weight raised to 1,800 lbs.

II. HIGHER TARGET WEIGHTS — LIVE CATTLE

Max target weight rises from 15 to 18 cwt (yearling) and 13 to 16 cwt (calf).

III. FEEDER CATTLE — WEIGHTS & SPREAD

Feeder max target rises 9 to 12 cwt (yearling). Live-feeder spread capped at 6 cwt (yearling) and 10 cwt (calf).

IV. UPDATED OWNERSHIP REQUIREMENTS

"Share" now requires producers to own calves ≥ 5 months (yearling) or ≥ 8 months (calf).

V. CATTLE INVENTORY REPORT

Sales suspended on biannual USDA Cattle Inventory report release days (*LGM-Cattle*).