

April 26, 2018

Dear Members of the House of Representatives:

Over the past three years the House Agriculture Committee has conducted numerous hearings and listening sessions throughout the country to talk about priorities for the 2018 Farm Bill. One consistent theme from these meetings was “do no harm to crop insurance.” Yet as we approach floor action on the Farm Bill, we may see amendments that would do significant harm to crop insurance and to rural America.

As you consider the 2018 Farm Bill on the House floor, **we urge you to oppose harmful amendments to crop insurance, including those that would 1) reduce or limit participation in crop insurance, 2) make insurance more expensive for farmers during a time of economic downturn in agriculture, or 3) harm private-sector delivery.**

Crop insurance is a unique risk management tool available to farmers and ranchers. First, crop insurance policies are available for more than 120 individual crops across the country, and the recent development of Whole Farm Revenue (WFR) insurance makes coverage available to all crops, in all regions and for all types of farms.

Crop insurance is also purchased by farmers, and farmers must prove that they have met a deductible (minimum loss threshold) to be eligible for a payment for a portion of their loss. On average, farmers collectively spend \$3.5 to \$4 billion per year out of their own pockets for crop insurance coverage, and the average deductible is approximately 25% of the expected value of the crop.

Finally, instead of placing the entire risk for crop insurance on the American taxpayer – like ad hoc disaster assistance does - crop insurance shares risk between the taxpayer, farmers and the private sector delivery system.

There is no shortage of reasons why farmers, lenders, agriculture input organizations, conservation groups and others have expressed strong support for crop insurance.

- Without crop insurance most producers simply could not qualify for the **operating loans** they need to put a crop in the ground. Due to extremely tight margins in agriculture, regulators examining agriculture lending portfolios typically insist borrowers have crop insurance.
- Crop insurance is available to **all types and sizes of producers in all regions**.
- Crop insurance provides for **environmental benefits**. Crop insurance requires producers to meet wetlands protections and highly erodible lands protections to be eligible for a premium discount.
- Crop insurance is a **rapid response** solution to disasters. Private sector delivery typically allows farmers who have losses and have met their deductible to receive indemnity payments in less than thirty days, while ad hoc disaster can take months or even years.
- Crop insurance **protects jobs**, both on and off the farm. Crop insurance enables farmers to rebound quickly after a disaster and allows producers to pay credit obligations and other input expenses, such as fertilizer and farm equipment.

Crop insurance is food and fiber security insurance, and food and fiber security is national security. Given the importance of crop insurance, the undersigned organizations **urge you to support America's farmers, ranchers, rural economies and national security by opposing amendments that would harm crop insurance.**

Sincerely,

Agricultural Retailers Association  
American Agri-Women  
American Association of Crop Insurers  
American Bankers Association  
American Farm Bureau Federation  
American Farmland Trust  
American Insurance Association  
American Malting Barley Association  
American Seed Trade Association  
American Sesame Growers Association  
American Society of Farm Managers and Rural Appraisers  
American Soybean Association  
American Sugar Alliance  
American Sugarbeet Growers Association  
Association of Equipment Manufacturers  
Association of Fish and Wildlife Agencies  
Biotechnology Innovation Organization  
California Association of Winegrape Growers  
Corn Refiners Association  
Crop Insurance and Reinsurance Bureau  
Crop Insurance Professionals Association  
Ducks Unlimited  
Farm Credit Council  
Florida Sugar Cane League  
Independent Community Bankers of America  
Independent Insurance Agents & Brokers of America  
National Association of Conservation Districts  
National Association of Mutual Insurance Companies  
National Association of Professional Insurance Agents  
National Association of State Departments of Agriculture  
National Association of Wheat Growers  
National Barley Growers Association  
National Corn Growers Association  
National Cotton Council  
National Council of Farmer Cooperatives  
National Crop Insurance Services  
National Farmers Union  
National Grain and Feed Association  
National Milk Producers Federation

National Oilseed Processors Association  
National Peach Council  
National Potato Council  
National Rural Lenders Association  
National Sorghum Producers  
National Sunflower Association  
Panhandle Peanut Growers Association  
Pheasants Forever  
Property Casualty Insurers Association of America  
Reinsurance Association of America  
Rio Grande Valley Sugar Growers  
Rural & Agriculture Council of America  
Southern Peanut Farmers Federation  
Southwest Council of Agribusiness  
Specialty Crop Farm Bill Alliance  
The Fertilizer Institute  
Theodore Roosevelt Conservation Partnership  
United Fresh Produce Association  
US Apple Association  
US Canola Association  
US Dry Bean Council  
US Rice Producers Association  
USA Dry Pea & Lentil Council  
USA Rice Federation  
Western Growers Association  
Western Peanut Growers Association  
Women Involved in Farm Economics