

June 14, 2012

The Honorable Debbie Stabenow
United States Senate
133 Hart Senate Office Building
Washington, DC 20510

Dear Sen. Stabenow:

We write to express our support for strong, efficient and affordable crop insurance protection for this nation's farmers and ranchers, and our opposition to any amendments that would undermine its effectiveness or the private sector delivery system.

Federal crop insurance provides an effective risk management tool to farmers and ranchers of all sizes when they are facing losses beyond their control, reduces taxpayer risk exposure, makes hedging possible to help mitigate market volatility, and provides lenders with greater certainty that loans made to producers will be repaid. The public-private partnership of program delivery works very well, allowing for personalized, tailored service to producers when they need it the most.

As the Senate considers the 2012 Farm Bill, we oppose amendments that will limit participation in crop insurance by producers, including efforts to impose means testing and limit premium support, and those that threaten efficient and effective private sector delivery.

Means testing and limitations on producer premium support fail to recognize that weather disasters happen anywhere and everywhere. By design, the crop insurance program treats all farmers equally, regardless of size. Limiting producer eligibility for premium support through a means test, or other limitation, discriminates against full-time farms and farms producing higher value crops. We cannot support amendments that limit risk management protection to farmers and ranchers who operate in a very risky environment.

Crop insurance is the cornerstone of most farmers' risk management portfolios. After a very challenging 2011 crop year, and with increasing demands for food, fiber, feed and fuel worldwide, it makes little sense to reverse the great progress Congress has made in providing crop insurance protection to producers. Thank you for your consideration of our views.

Sincerely,

Agricultural Retailers Association
American Association of Crop Insurers
American Bankers Association
American Farm Bureau Federation
American Soybean Association
ARMtech Insurance Services, Inc.

CGB Diversified Services, Inc.
Cooperative Network
Credit Union Association of the Dakotas
Crop Insurance and Reinsurance Bureau
Crop Insurance Professionals Association
COUNTRY Mutual Insurance Company
Farm Credit Council
Farmers Mutual Hail Insurance Company of Iowa
Great American Insurance Company
Hudson Insurance Company
Independent Insurance Agents & Brokers of America
Independent Community Bankers of America
NAU Country Insurance Company
National Association of Wheat Growers
National Barley Growers Association
National Cooperative Business Association
National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Sorghum Producers
National Sunflower Association
Producers Ag Insurance Group, Inc.
Rain and Hail, LLC
Reinsurance Association of America
Rural Community Insurance Services
Southwest Council of Agribusiness
The Fertilizer Institute
US Canola Association
US Rice Producers Association
USA Dry Pea and Lentil Council
USA Rice Federation
Western Peanut Growers Association