

May 14, 2012

The Honorable Frank Lucas
House Agriculture Committee
House of Representatives
Washington, DC 20515

The Honorable Collin Peterson
House Agriculture Committee
House of Representatives
Washington, DC 20515

Dear Chairman Lucas and Ranking Member Peterson:

As Congress writes the next farm bill, our organizations agree that maintaining a strong, efficient, effective, and affordable crop insurance system is a top priority.

Federal crop insurance provides an effective risk management tool to farmers and ranchers when they are facing losses beyond their control; it reduces taxpayer risk exposure; it makes hedging possible to help mitigate market volatility; and it provides lenders with greater certainty that loans made to producers will be repaid.

The renegotiation of the Standard Reinsurance Agreement resulted in a \$6 billion reduction to the program, with \$4 billion in savings applied to deficit reduction. We believe additional reductions would seriously affect producer access to crop insurance coverage and threaten efficient private-sector delivery following disasters.

We ask for your support in keeping crop insurance strong in the next farm bill.

Sincerely,

American Farm Bureau Federation
American Soybean Association
American Sugarbeet Growers Association
National Association of Wheat Growers
National Barley Growers Association
National Corn Growers Association
National Cotton Council
National Farmers Union
National Sorghum Producers
National Sunflower Association
U.S. Canola Association
USA Dry Pea & Lentil Council

Cc: Members of the House Agriculture Committee