

February 19, 2019

Dear House and Senate Budget Committee Chairmen and Ranking Members:

As Congress develops and considers its budget proposals for the year, **we respectfully urge you to protect crop insurance** and recognize its central importance to farmers, lenders and all of rural America.

USDA has projected that 2018 farm profitability will be lower than it has been in over a decade, and farm income dropped more than 45% in five years. An overreliance on budget savings from the agriculture community and from crop insurance will unquestionably undermine rural economies. It's also important to note that in a time of uncertainty in the farming and ranching community – from natural disasters to trade disputes to government shutdowns – the public-private partnership that is crop insurance has been a consistent and reliable risk management tool. The certainty of federal crop insurance also offers lenders the assurances they need to continue to provide capital to America's hard-working farmers and ranchers.

The 2018 Farm Bill that was recently passed by Congress and signed by the President continued the emphasis on risk management from previous farm bills, and in doing so, protects the interests of American taxpayers. Farmers spend \$3.5 to \$4 billion per year of their own money to purchase insurance from the private sector. On average, farmers also must incur losses of almost 30 percent before their insurance coverage pays an indemnity. Crop insurance allows producers to customize their policies to their individual farm and financial needs. Federal crop insurance is based on fundamental market principles, which means higher risk areas and higher value crops pay higher premiums for insurance.

Cuts to crop insurance during this difficult time for rural America should be avoided. Farmers and lawmakers agree that crop insurance is a linchpin of the farm safety net and is crucial to the economic and food security of rural America. The importance of crop insurance was just reaffirmed less than two months ago with the passage and signing of the 2018 Farm Bill, and **we urge you to oppose cuts to crop insurance during this year's budget process.**

Sincerely,

Agricultural Retailers Association
American Agri-Women
American Association of Crop Insurers
American Bankers Association
American Farm Bureau Federation
American Farmland Trust
American Malting Barley Association
American Property Casualty Insurance Association
American Pulse 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
Corn Refiners Association
Crop Insurance and Reinsurance Bureau
Crop Insurance Professionals Association
Ducks Unlimited
Environmental Defense Fund
Farm Credit Council
Independent Community Bankers of America
Independent Insurance Agents & Brokers of America
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
Quail Forever
Rural & Agricultural Council of America
Southern Peanut Farmers Federation
Theodore Roosevelt Conservation Partnership
U.S. Apple Association
U.S. Canola Association
U.S. Dry Bean Council
U.S. Durum Growers Association
U.S. Rice Producers Association
USA Dry Pea & Lentil Council
USA Rice
United Fresh Produce Association
United States Cattlemen's Association
Western Growers
Western Peanut Growers Association
Women Involved in Farm Economics