

February 5, 2025

The Honorable Susan Collins
Chair
Senate Appropriations Committee
United States Senate
Washington, DC 20510

The Honorable Lindsey Graham
Chair
Senate Budget Committee
United States Senate
Washington, DC 20510

The Honorable Patty Murray
Ranking Member
Senate Appropriations Committee
United States Senate
Washington, DC 20510

The Honorable Jeff Merkley
Ranking Member
Senate Budget Committee
United States Senate
Washington, DC 20510

The Honorable Tom Cole
Chair
House Appropriations Committee
United States House of Representatives
Washington, DC 20515

The Honorable Jodey Arrington
Chair
House Budget Committee
United States House of Representatives
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member
House Appropriations Committee
United States House of Representatives
Washington, DC 20515

The Honorable Brendan Boyle
Ranking Member
House Budget Committee
United States House of Representatives
Washington, DC 20515

Dear Chairs and Ranking Members:

As Congress develops its budget and appropriations bills for FY 2026, **we respectfully urge you to protect crop insurance from harmful cuts that would undermine American's farmers and ranchers and rural economies.** Crop insurance is farmer's first line of defense against natural disasters, and as the challenges for America's farmers and ranchers continue to grow, we believe crop insurance as a safety net is only becoming more important to stability in rural America and to a secure domestic food supply. During this tumultuous time in the agricultural economy, one of the few certainties that farmers can rely on is the timely protection provided by the Federal crop insurance policy purchased with their hard-earned dollars. Crop insurance indemnity payments may not be the only dollars directed to farmers after a disaster, but the program always provides the first dollars to reach farmers and ranchers, typically making payments within just 30 days.

An October 2024 survey of ag economists found that the vast majority believe the US farm economy is either already in a recession or on the brink of a recession.¹ The reason is a combination of decreasing commodity prices, particularly in the crop sector, increased input prices, and minimized benefit from Title1 farm programs. As farmers enter 2025, many of them are coming off of two years of negative returns that have eroded their financial position. As a result, USDA and Congress have taken extraordinary ad hoc measures over the past few years to ensure the financial security of rural America. It would only serve to undercut these efforts to

¹ Ag Economists' Monthly Monitor from Farm Journal, December 16, 2024. [Majority of Ag Economists say U.S. Agriculture is Ending the Year in a Recession - AgWeb](#)

propose harmful changes to a crop insurance program that provides predictable, within-budget assistance to farmers in a way that helps lenders continue to support America's farmers and ranchers. Furthermore, it is the certainty of the crop insurance program that provides critical reassurance to lenders.

It is no accident that the most recent farm bills have emphasized risk management, and in doing so, protected the interests of American taxpayers. Farmers spend as much as \$6.8 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 and policies are based on fundamental market principles, which means higher risk areas and higher value crops pay higher premiums for insurance. Crop insurance and its links to conservation further ensure that the program is a good investment for taxpayers.

Given the challenges faced by rural America with elevated input prices and decreased farmgate price, cuts to a program as critical as crop insurance should be avoided. Farmers, agribusinesses, lenders and lawmakers agree that crop insurance is a linchpin of the farm safety net and is crucial to the economic and food and fiber security of urban and rural America. **We urge you to continue to support America's farmers and ranchers and oppose cuts to crop insurance during this year's budget process.**

Sincerely,

Agricultural Retailers Association
American Association of Crop Insurers
American Farm Bureau Federation
American Malting Barley Association
American Property Casualty Insurance Association (APCIA)
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
Cotton Warehouse Association of America
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 and Brokers of America
Midwest Council on Agriculture
National Alfalfa and Forage Alliance
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 Barley Improvement Committee

National Corn Growers Association
National Cotton Council
National Council of Farmer Cooperatives
National Crop Insurance Services
National Farmers Union
National Milk Producers Federation
National Oilseed Processors Association
National Peach Council
National Pecan Federation
National Potato Council
National Sorghum Producers
National Sunflower Association
North American Equipment Dealers Association
Northarvest Bean Growers Association
Pacific Northwest Canola Association
Panhandle Peanut Growers Association
Pheasants Forever
Quail Forever
Reinsurance Association of America
Rural & Agriculture Council of America
Southwest Council of Agribusiness
The Council of Insurance Agents and Brokers
U.S. Apple Association
U.S. Cattlemen's Association
U.S. Canola Association
U.S. Durum Growers Association
U.S. Peanut Federation
U.S. Rice Producers Association
USA Dry Pea & Lentil Council
USA Rice
Western Peanut Growers Association

Cc: Sen. John Boozman, Chairman, Committee on Agriculture, Nutrition and Forestry
Sen. Amy Klobuchar, Ranking Member, Committee on Agriculture, Nutrition and Forestry
Rep. GT Thompson, Chairman, Committee on Agriculture
Rep. Angie Craig, Ranking Member, Committee on Agriculture