

April 3, 2025

Honorable Mike Johnson Speaker of the House U.S. House of Representatives Washington, D.C. 20515

Honorable Hakeem Jeffries Minority Leader U.S. House of Representatives Washington, D.C. 20515 Honorable John Thune Majority Leader United States Senate Washington, D.C. 20510

Honorable Charles Schumer Minority Leader United States Senate Washington, D.C. 20510

## **Re: Current Budget Reconciliation Process**

Dear Speaker Johnson, Leader Thune, Congressman Jeffries, and Senator Schumer:

On behalf of the National Association of Professional Insurance Agents (PIA)<sup>1</sup>, we urge Congress to require the Risk Management Agency (RMA) to reinstate the annual administrative and operating (A&O) inflation adjustment for crop insurance agents in the ongoing budget reconciliation process.

As you may know, for several years, the RMA would provide annual adjustments to crop insurance agent compensation to account for inflation. Then, in 2016, the RMA, which is overseen by the USDA, abruptly stopped providing an annual inflation adjustment for agents, functionally freezing their compensation in 2016 dollars indefinitely. Since then, the RMA has refused to reinstate the annual inflation adjustment, arguing that it cannot legally do so without renegotiating the Standard Reinsurance Agreement (SRA). RMA maintains this position even though the agency *began* providing an annual inflation adjustment without renegotiating the SRA.

In 2022, Congress included in its appropriations package report language stating unequivocally that the RMA has the authority to reinstate the annual inflation adjustment without renegotiating the SRA. Despite this, the RMA has continued to refuse to reinstate the inflation adjustment.

Crop insurance agents are essential partners in the delivery of the Federal Crop Insurance Program. Moreover, federal crop insurance serves as the primary food safety net for producers and the public. By requiring RMA to reinstate the annual inflation adjustment, Congress will strengthen the food supply framework to better meet the risk management needs of producers.

<sup>1</sup> PIA is a national trade association founded in 1931, which represents member insurance agents in all 50 states, Puerto Rico, Guam, and the District of Columbia, PIA members are small business owners and insurance

Thank you for your consideration on this matter.

Sincerely,

Mike Skiados, MBA, CAE

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CEO

National Association of Professional Insurance Agents