

# FARM BILL PRIORITIES



## CROP INSURANCE SHOULD BETTER SERVE RURAL COMMUNITIES.

### GOAL:

STOP ALLOWING TAXPAYER DOLLARS TO GO WITHOUT LIMIT TO THE LARGEST FARMERS.

**STRATEGY** ➤ Cap crop insurance subsidies at \$50,000. Other public support programs have limits; it makes sense to have limits on crop insurance subsidies, too. Who does this impact? Only 0.9 percent of farmers in 2010 and 2.5 percent of farmers in 2011 received premium subsidies greater than \$50,000 and would have been impacted by a cap.<sup>1</sup>

- Finalize and enforce “actively engaged” rules to prevent farmers from splitting up their businesses to qualify for more subsidies.
- *A/so*: Eliminate subsidies to Harvest Price Option, which allows farmers to use their harvest to bet on future prices. Private companies already allow farmers to “play the market,” and taxpayers dollars do not need to support this option.

### GOAL:

MANAGE RISK THROUGH CONSERVATION.

**STRATEGY** ➤ Strengthen links between crop insurance and conservation programs, to reward farmers who invest in healthy soil and water.

- Offer higher crop insurance premium subsidy rates to farmers implementing conservation plans. This rewards and incentivizes responsible stewardship.
- Cover crops are a valuable tool to manage the health of our soil and water. However, crop insurance rules treat planting cover crops differently from other farming practices, and farmers have to terminate cover crops by a certain date in order to qualify for crop insurance. These special rules for cover crops should be eliminated, and planting cover crops should be treated like every other farming practice, from planting to spraying.

Continue to **level the playing field** for diversified farmers by increasing access to crop insurance. Policies like Whole Farm Revenue Protection, that protect a diversity of crops and livestock, can help more farmers and ranchers better manage risk.

<sup>1</sup> Study: GAO-12-256, CROP INSURANCE: Savings Would Result from Program Changes and Greater Use of Data Mining. March 2012.



## WHAT CAN I DO TO GET INVOLVED?

- Sign up for our **email updates** at <http://www.cfra.org/contact>. We send out Rural Action Alert emails explaining issues and how you can help.
- **Call your representatives:** A simple phone call to your representative can make a huge difference! To prepare, look up who your representatives are (call the Congressional switchboard at 202.224.3121 to ask) and write down their phone numbers somewhere easy to access.
- **First-time caller?** Your call can be as simple as this:

“Hello, my name is \_\_\_\_\_ and I live in [city where you live - so they know that you’re a voter in their district]. I am calling to let Rep./Sen. \_\_\_\_\_ know that I support [full funding for conservation programs, targeted support for small and mid-sized farmers, programs that support beginning farmers... etc.]. Thank you!”
- **Get more involved:** Sign a letter of support to Congress or write a letter to the editor. We’re always happy to brainstorm ideas and work with you to draft a letter. Call us at 402.687.2103 ext. 1012.

“The realities of the current crop insurance subsidies are that these subsidies distort the economics of farming in a way that is harmful to farms and rural communities. A \$50,000 cap on federal crop insurance subsidies would be a firm start to eliminating this disparity between the largest and more moderate sized farms and ranches.”

BILL FURLONG,  
IOWA FARMER

