

United States Senate

COMMITTEE ON
AGRICULTURE, NUTRITION, AND FORESTRY
WASHINGTON, DC 20510-6000
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September 29, 2022

The Honorable Tom Vilsack
Secretary of Agriculture
United States Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Administrator Marcia Bunger
USDA Risk Management Agency
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Mr. Secretary and Administrator Bunger:

Due to record high input costs and extreme volatility in the prices producers are expected to receive for their crops, producers have raised concerns about access to risk management tools and specifically their ability to manage risks associated with elevated production costs. Their concerns are especially in focus as we head into a second consecutive planting season with elevated fertilizer and diesel prices while crop prices have become more volatile as concerns about the health of U.S. and global economies mount. As this uncertainty continues, we request the Department of Agriculture (USDA) through the Federal Crop Insurance Corporation (FCIC) consider accelerating the expansion of margin protection tools or similar products for additional commodities and regions.

As you know, margin protection in the form of crop insurance is readily available for dairy, cattle, and swine livestock producers as well as a select number of crops in certain geographic areas across the country. Many farmers are underway in their planning for fall fertilizer applications. Prioritizing the thoughtful and timely expansion of margin protection plans of insurance for additional commodities, as well as related insurance products designed for specialty crops, would allow producers the opportunity to familiarize themselves with these tools and better manage production cost risks by next fall.

As FCIC considers the expansion of existing tools or development of additional plans of insurance, we urge the Department to immediately prioritize additional and extensive risk management education for both producers and agents on the crop and livestock margin insurance policies currently available. The success of margin-based insurance products, and similar products for specialty crops, relies heavily on awareness and understanding of the products by farmers who seek to proactively manage risk. Thank you for your attention to this important and timely matter.

Sincerely,



Debbie Stabenow
Chairwoman
Committee on Agriculture, Nutrition, and
Forestry



John Boozman
Ranking Member
Committee on Agriculture, Nutrition, and
Forestry