



**NATIONAL
FARMERS
UNION**

January 27, 2010

The Honorable Tom Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, D.C. 20250

Dear Secretary Vilsack:

On behalf of the 250,000 family farmer, rancher, and rural resident members of National Farmers Union (NFU), I write to express our concern regarding potential cuts to the Federal Crop Insurance Program in the Fiscal Year 2011 Budget.

The crop insurance program under the U.S. Department of Agriculture's Risk Management Agency provides a critical component of the farm safety net. In making annual planting decisions, producers rely upon crop insurance products to maintain stability and assurances in the event of reduced yield from natural disasters.

Beyond the farm gate, the crop insurance program is important to millions of Americans because of the food security it provides. During periods of disaster such as those we have recently experienced in Florida and California, farm operations are able to remain economically viable to provide a steady and consistent food supply.

While Congress provided significant funding to the federal crop insurance program through the 2008 farm bill, Administrative and Operating (A&O) reimbursement was reduced by 2.3% and program outlays were reduced by \$3.9 billion over five years. As your administration considers programs for budgetary savings, we emphasize that cuts should not be made to programs that are critical to the operation of agricultural producers. Further, we are concerned that any such cuts will result in a reduction to the overall farm bill baseline, an action that would have consequences in both the near and long term.

It is vital that the crop insurance program is adequately funded to continue providing critical support to America's farmers.

Thank you for your attention to this matter. We look forward to working with you as priorities are set and decisions are made regarding Fiscal Year 2011 Budget and Appropriations.

Sincerely,

Roger Johnson, President
National Farmers Union

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Cc: Chairmen and Ranking Members: Senate Agriculture Committee, Senate Appropriations Committee, House Agriculture Committee, House Appropriations Committee