

June 27, 2018

The Honorable Mitch McConnell Majority Leader U.S. Senate S-230 The Capitol Washington, D.C. 20510 The Honorable Chuck Schumer Minority Leader U.S. Senate S-221 The Capitol Washington, D.C. 20510

Dear Majority Leader McConnell and Minority Leader Schumer:

On behalf of the National Association of Wheat Growers, a national federation of 21 state wheat grower associations, we wish to express our views on several amendments to the Senate Farm Bill. NAWG has emphasized the need for the Farm Bill to be reauthorized prior to its expiration in September 2018 in order to provide long-term certainty to farmers. The Farm Bill must have a strong farm safety net and this includes ensuring there are not cuts to crop insurance and maintaining a choice between revenue-based (Agriculture Risk Coverage) and price-based (Price Loss Coverage) programs as well as improvements to both programs. NAWG also has prioritized working lands conservation programs and increasing funding to the Market Access Program (MAP) and Foreign Market Development (FMD) which assist in creating new markets for wheat.

Below, you will find a listing of amendments that have been introduced for consideration that would impact important aspects of the Farm Bill to wheat growers, along with our positions on those amendments. Please reach out with any questions regarding these amendments and our positions. This list is not all-inclusive of our positions, and we may send additional communications. Additionally, we may score these amendments to communicate to our farmer members across the country how Senators voted on issues of importance to agriculture.

- **OPPOSE the Durbin/Grassley/Flake/Shaheen/McCain Amendment #3103** This amendment would impose AGI limitations on crop insurance. Crop insurance is an actuarily sound program and reducing participation from any group of farmers will change the premiums for ALL farmers because it will change the risk pool. Such changes could impact a large number acres. It is the acres impacts that will drive changes to premiums for all farmers. NAWG opposes any types of means testing to establish eligibility for, or restrict participation in, federal farm programs.
- **OPPOSE the Shaheen/Flake Amendment #3138** This amendment would establish a hard cap of \$125,000 on the amount of the federal premium cost share in the federal crop insurance program. Crop insurance is an actuarily sound program and reducing participation from any group of farmers will change the premiums for ALL farmers because it will change the risk pool. NAWG opposes this amendment.
- **SUPPORT the Risch/Crapo Amendment #3088** This amendment would establish a 10% indirect cost cap on the US Wheat and Barely Scab Initiative. This would help to ensure that the funds spent through this program are maximized on research of this damaging disease. NAWG supports this amendment.

In considering amendments, we urge you to recognize that farmers are dealing with falling incomes, natural disasters like drought, markets manipulated by countries like China that are violating their WTO commitments, and an uncertain trade environment. Farmers have to pay a premium in order to have insurance coverage, just like any other type of insurance. Additionally, crop insurance is widely supported, which is evidenced through a coalition <u>letter</u> sent to Senators last week by 638 national and state stakeholders urging support for crop insurance and opposing any amendments that would undermine the program.

We sincerely appreciate your consideration of our positions, and would be happy to discuss these and other amendments.

Sincerely,

Jimmie Musick

Jimmie Musick President National Association of Wheat Growers

Cc: Members of the U.S. Senate