



October 11, 2013

**An Open Letter to the United States Congress:
Support efforts to curb crop insurance subsidies!**

Dear Representative,

On behalf of the millions of members and supporters of the undersigned organizations, we write in strong support of a Sense of the House of Representatives instructing farm bill conferees to insist upon inclusion of a means test for crop insurance subsidies. By putting its support behind Senate-passed language (sponsored by Senators Coburn and Durbin) to reduce by 15 percentage points the crop insurance premium subsidy paid to farmers with adjusted gross incomes over \$750,000, the House can help save taxpayers nearly \$1 billion. While this would still fall far short of the scope of reforms needed for the farm bill, it would at least introduce some restraint to the subsidized crop insurance program that currently has no limits whatsoever.

Crop insurance is in dire need of reform. It cost more than \$14 billion last year and is projected to be more than twice as expensive as the traditional commodity subsidy programs over the next decade. Furthermore, a huge portion of premium subsidies are swallowed up by the wealthiest and most successful farm operations. The top 20 percent of agribusinesses received a staggering 73 percent of subsidy dollars in 2011.

The farm bill process thus far has been a shameful exercise in client politics devoid of the significant changes that would make it worthy of the word "reform." That the House is reduced to supporting incredibly modest tweaks to crop insurance is evidence of that fact. Given record farm incomes, the time will never be better to trim farm handouts to the wealthy and crop insurance must be the first step.

This Sense of the House cannot solve all of the farm bill's problems, such as the fact that it contains government-set target prices, new special interest handouts, new income guarantee entitlements, and expanded subsidies for federal crop insurance. However, it is one common sense step toward reining in costly crop insurance and saves taxpayer money in doing so. We urge you to support its passage.

Sincerely,

Andrew Moylan, *R Street Institute*

Phil Kerpen, *American Commitment*

Al Cardenas, *American Conservative Union*

Grover Norquist, *Americans for Tax Reform*

John Tate, *Campaign for Liberty*

Jeff Mazzella, *Center for Individual Freedom*

Jonathan Bydlak, *Coalition to Reduce Government Spending*

Tom Schatz, *Council for Citizens Against Government Waste*

Mattie Duppler, *Cost of Government Center*

Seton Motley, *Less Government*

Duane Parde, *National Taxpayers Union*

Ryan Alexander, *Taxpayers for Common Sense*

David Williams, *Taxpayers Protection Alliance*