

RMA Letter to Congress 3.22.05

## **The Risk Management Agency March 22nd response to the Congressional letter**

Dear (member of Congress),

Thank you for the letter of March 15, 2005 (and 18th) regarding expanding insured locations for sunflowers and canola crops. I wanted to let you know that we are aware of the issue and are gathering as much information as possible in order to find a solution.

The requirement at issue is that a grower must have an adequate history of raising that particular crop in that county in order to obtain insurance coverage. However, we also understand the press of market forces and the need for diversification as part of a sound risk management program, and are evaluating ideas and data that will lead us to a resolution to this problem for oilseed producers.

We have met recently with representative of the National Sunflower Association (NSA) who have agreed to supply additional data which will assist our efforts to serve the growers' needs while maintaining an actuarially sound Federal crop insurance program. We will continue to work with the NSA in our quest for answers. Please be assured that we share your concern for the risk management needs of farmers who wish to diversify and who must respond to market forces. We are giving this matter a very high priority and will keep you informed as to developments.

Thank you for your continued support of the Federal crop insurance program. Each of your colleagues has been sent a similar letter.

Sincerely,

Ross J. Davidson, Jr.  
Administrator