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| **by RCIS Government Relations Director Jeff Sands****Congressional update****House Passes Senate-Revised Reconciliation Measure, Heads to President Trump to Become Law**Thursday, after 29 hours of debate, the House passed the Senate-revised reconciliation proposal, known as the *One Big, Beautiful Bill* Act by a vote of 218-214, with Rep. Thomas Massie (R-KY) and Rep. Brian Fitzpatrick (R-PA) joining Democrats in voting against the legislation. This sends the measure to President Trump for signature.   Not without great drama did this legislation come to find the President’s desk. Most recently, the House had to hold a five-minute procedural vote open for over six hours while Speaker Johnson, House Leadership, and President Trump began to work through defections with House Freedom Caucus Members and Moderates -- many of which were concerned with changes the Senate made during their deliberations. Additionally, the Senate passage was also not without its heightened moments as concessions were made by Leadership in the Senate to get the legislation across the finish line that drew the ire of these certain House members. The concerns were espoused in the form of changes to Medicaid, SNAP, Green Energy Credit phase-outs and others made by the Senate in the legislation were a bridge too far. Ultimately, after much deliberation early Thursday morning, the lawmakers came together to pass the procedural vote on the rule that paved the way to passage of this large reconciliation package, known as OBBA.While the consternation in getting this package across the line was great, it is important to remember that this package delivered significant investment into the agricultural safety net. Reportedly, over $60 billion dollars of additional resources were added to aid production agriculture. Specifically, these came in changes that would have normally been made in a Farm Bill via Title 1 and Title 11 but knowing the needs of Rural America. The Chairs of the Agriculture Committees in each chamber chose to use this budget vehicle to make these investments, recognizing that securing similar resources through the Farm Bill process in this Congress would be extremely difficult.  And while I do anticipate us working through a “Farm Bill light” at the end of this calendar year, especially since the suspension of permanent law for commodity support programs typically included in each Farm Bill was kicked out of the reconciliation process and needs to occur, the passage of this bill makes up the majority of the investments we would seek as a company/industry during a Farm Bill process.  With regards to the Federal Crop Insurance Program, the reconciliation bill was a success. Congress has not invested this much in the agricultural safety net in nearly two decades, since the 2002 Farm Bill. This was inclusive of beneficial provisions for agencies, farmer and rancher insureds, and companies. RCIS was proud to be a leader in advocacy for this space, including testimony from Head of RCIS, Dalynn Hoch, bill introduction, and supporting lawmakers and staff with technical assistance and grassroots support. Specifically, the reconciliation bill included:* Investments for AIPs in allowing additional resources for loss adjustment expenses in high loss ratio states.
* Congress reinstituted an inflation adjustment to administrative and operating expenses since it was removed administratively in 2015. This would aid financials in the industry by better accounting for the inflationary economy’s impact on AIP expense loads and adjusting agency commissions to appropriate levels.
* Provides parity to Specialty Crop agents in their commission structures. Due to the nature of our risk sharing agreement (Standard Reinsurance Agreement), there is a commission cap in place that gets “squeezed” when traditional row crop market prices rise higher disparately impacting those agents that write specialty crops and forcing their commissions lower to fall under the cap. This provision would mandate a commission basement of 17% for specialty crop (or Category C) agents.
	+ *All beginning in CY2026*

In addition to these notable investments, farmers and ranchers saw resources into commodity support programs that help to drastically rectify the anemic farm economy that has suffered from record high input costs and declining market prices. These investments in the farm safety net, totaling a near $65 billion over a ten-year period, will allow farmers and the crop insurance industry to be better positioned for success in the future should the measure pass the House and become law. Those provisions were noted in previous versions of the RCIS Washington Update and remained intact through the passage of this bill. We will share details on implementation of this law, especially given the fact that some require a mid-year election through FSA in CY 2025 for ARC/PLC.  The passage of this bill also marked a great collaboration amongst those in the agricultural community, especially within the crop insurance industry. Agents, farmers, and AIPs came together to advocate for needed resources in our program as well as across the farm economy. It is no secret that RCIS has aggressively advocated for these provisions and that would not have been possible without the entire team at RCIS building spreadsheets, diving into the numbers, and looking at key provisions within the program to see what needed improvement. I would personally like to thank the RCIS team and our key agency partners in helping us to push this much needed relief across the line.**ADMINISTRATION UPDATE****Supplemental Disaster Assistance Sign-Up Target Date Upcoming**The United State Department of Agriculture via Farmers.gov has targeted July 7 to open sign-up for Supplemental Disaster Relief recipients.The Supplemental Disaster Relief Program will provide assistance to producers for necessary expenses due to losses of revenue, quality or production of crops due to weather related events in 2023 and 2024.**Important Dates****For producers with indemnified losses:*** June 9, 2025: The target date to submit final rule to the Office of Management and Budget (OMB)
* June 27, 2025: The target date for the Office of Management and Budget (OMB) clearance
* July 7, 2025: The target date for sign-up to begin

**For uncovered losses (shallow losses)** including producers without crop insurance, and quality losses we need more time to collect the data:* August 19, 2025: The target date to submit final rule to the Office of Management and Budget (OMB)
* September 9, 2025: The target date for the Office of Management and Budget (OMB) clearance
* September 15, 2025: The target date for sign-up to begin

Click [here](https://www.fsa.usda.gov/resources/programs/20232024-supplemental-disaster-assistance) for more information on USDA timelines on roll out of disaster programs.\*Additionally, we have heard that the USDA rule additional A&O payments that Congress inserted into the 2024 end of year package, aimed toward equitable relief for specialty crop agents has been sent to OMB. I would anticipate these payments would be made available sometime after the rollout on July 7. We will keep you apprised of these specific details as they are made available to us.\***USDA Offers Disaster Assistance to Agricultural Producers in North Dakota Impacted by Recent Severe Weather**Agricultural operations in North Dakota have been significantly impacted by recent severe weather including tornadoes, derecho winds, hail, lightning, and flooding. The U.S. Department of Agriculture (USDA) has technical and financial assistance available to help farmers and livestock producers recover from these adverse weather events. Impacted producers should contact their local USDA Service Center to report losses and learn more about program options available to assist in their recovery from crop, land, infrastructure, and livestock losses and damages.Please click [here](https://www.rma.usda.gov/news-events/news/2025/billings-montana/usda-offers-disaster-assistance-agricultural-producers-north) for more information.***\* Please don’t hesitate to reach out with any questions or comments. I can be reached at******jeffrey.sands@rcis.com******. \**** |

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