



## BY RCIS GOVERNMENT RELATIONS DIRECTOR JEFF SANDS

### WHAT'S GOING ON?

#### CONGRESSIONAL UPDATE

##### House Agriculture Committee Holds Hearing on Farm Economy

Last week, the House Agriculture Committee held a [hearing](#) to discuss the state of the farm economy. Committee members and witnesses addressed challenges such as high input costs, trade disruptions and the need for a new Farm Bill. Crop insurance was emphasized as a crucial risk management tool for farmers, providing a safety net against natural disasters and market fluctuations. Concerns were raised by Midwest stakeholders and Members of Congress regarding loss ratios for crop insurance in some parts of the country, highlighting the need for modernization.

##### Rollins Breezes Through Senate, Robert F. Kennedy Jr. Confirmed

Secretary of Agriculture Brooke Rollins, as expected, sailed through the full Senate, winning confirmation by a vote of 72-28. And, after much intrigue over whether any Democrats would join to vote for RFK or whether any Republicans would defect, he was tapped to lead the Department of Health and Human Services (HHS) by a vote of 52-48. Sen. McConnell was the lone Republican to vote against his nomination.

Rollins and Kennedy will be greeted by staffers who have already started work at the Executive Branch agencies. Invariant's tracker of who has been hired to do what job can be found [here](#).

##### What's Next at USDA and HHS

Rollins is expected to hit the ground running and execute on the agenda that advisors have been planning over the last few months. I expect the Department to have an early focus on staffing up political appointees, undoing Biden Admin regulations, and reassuring producers who may be anxious about the impact that Trump's trade agenda will have on the farm economy. Additionally, deployment of disaster assistance will be of the utmost importance.

***I asked the Risk Management Agency (RMA) at the Crop Insurance Industry Convention when the industry can expect an update regarding additional A&O (intended for Specialty Crops) that was included in the end of year package from Congress. I/the audience was informed that it was a boilerplate situation and was currently "teed up" for the Secretary to determine if and how to best get those dollars distributed. The RCIS team stands ready for this announcement from USDA and will work as***

***expeditiously as possible to disburse once a green light and instructions are received from the agency.\****

At HHS, Secretary Kennedy will manage a sprawling workforce across many policy areas, and everyone is waiting to see how exactly the Make American Healthy Again (MAHA) agenda will take shape. The first to take the lead is the Make America Healthy Again Commission, appointed by the President. The Commission, chaired by Secretary Kennedy, is charged with redirecting the national focus on health care to drastically lower chronic disease rates, with its initial mission focusing on addressing the childhood chronic disease crisis and making government-wide recommendations with a focus on identifying the contributing causes of childhood chronic disease. The Commission's work will provide an initial assessment within 100 days and a strategy for the President to consider implementing within 180 days of signing the order. We expect the Commission to consider making significant recommendations to restructure the federal government's response to the childhood chronic disease crisis.

### **Budget Reconciliation**

The House and Senate have both advanced their respective budget resolutions last week, the first step in the reconciliation process. On Wednesday, the Senate Budget Committee voted to send their budget to the Senate floor for a vote by the full body. The package focuses on bolstering border security, defense initiatives and energy independence. The bill also calls for a \$1B cut in agriculture spending. This is the first of, likely two reconciliation bills, and we expect the second bill to focus on Trump's tax priorities. On the other side of the Capitol, the House resolution, which officially cleared the House Budget Committee and is headed to the floor, is a comprehensive package that addresses border, defense and energy while also including additional spending cuts as well as Trump tax priorities. For agriculture spending, the House bill calls for a \$230B cut.

### **How does this impact Farm Bill discussions?**

The answer may be different depending on who you ask. Clearly Chairman Thompson believes he can move forward on both supporting the House reconciliation package and the long-stalled Farm Bill, but – on the one hand – nutrition spending remained the single largest hang up to a bipartisan deal in the 118th Congress. Action that impacts nutrition funding outside of the Farm Bill arena could make cutting a bipartisan deal down the road easier; however, changes to the nutrition programs in a reconciliation package have the potential to generate a “goldilocks” blowback in the Farm Bill. Cut too far, and Democrats will face enormous pressure to walk away from any deal; cut not enough, and Members on the far right will likely try to push further. All of this to say – we are early in the 119th Congress and there is still a lot of room for stakeholders to maneuver around as they look to reach a deal.

**Don't forget** ... there is a government funding package set to expire on March 15 yet to be debated. This could weigh heavy on these reconciliation conversations given the extremely tight margins in the U.S. House.

### **Tariffs**

Despite reaching a deal to hold off tariffs on Canada and Mexico earlier this month, President Trump announced he will be [implementing 25% tariffs on any steel and aluminum](#) coming into the United States. He also said there will be subsequent announcements on reciprocal tariffs on all countries that have taxed imports from the U.S., though hasn't specified which countries or if there will be any exemptions.

In addition, President Trump signed the Reciprocal Tariffs and Trade memorandum outlining the "Fair and Reciprocal Plan" (Plan) to ensure "comprehensive fairness and balance across the international trading system by factoring in losses as a result of measures that disadvantage the U.S." The 'reciprocal' tariffs are to be in the form of customized tariffs, country by country, based on other countries' tariff rates plus unfair/discriminatory taxes, including value-added taxes (VAT); non-tariff measures (e.g. subsidies or regulation); exchange rates and devalued currency; as well as any other policies USTR determines is an unfair limitation. Notably, this is not an immediate action for tariffs and there is no official date for implementation. This could take some time as one White House official had shared with reporters that the process could take weeks or months.

### **RCIS Attends Annual Crop Insurance Industry Convention**

The RCIS team attended the Crop Insurance Industry Convention last week in Bonita Springs, Fla. This portion was co-hosted by National Crop Insurance Services (NCIS) and American Association of Crop Insurers (AACI) and hosted various policy and political conversations inclusive of Heather Manzano of the RMA, updates from Florida House members (Reps. Kat Cammack {R-FL} and Darren Soto {D-FL}), a Congressional staff panel, and the Cook Political Report's David Wasserman.



The conversations encompassed an informative program update from the RMA, a Farm Bill outlook from the Congressional Panel, and an outlook of 2026 elections and the impact on agriculture/crop insurance policies in the future. In addition, RCIS hosted multiple customer-centric engagements throughout the

week. It was a great opportunity to interact with many valued agents from across the country!

***\*Please don't hesitate to reach out with any questions or comments. I can be reached at [jeffrey.sands@rcis.com](mailto:jeffrey.sands@rcis.com). Also, make sure you follow RCIS on LinkedIn and Facebook to see the latest activity from the convention.***

Audience - Agents in all states; All Employees.



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