



BY RCIS GOVERNMENT RELATIONS DIRECTOR JEFF SANDS

WHAT'S GOING ON?

CONGRESSIONAL UPDATE

Budget Reconciliation Takes One Big Beautiful Ride to Senate

Early Thursday, May 22, the US House cleared the One, Big, Beautiful Bill Act (OBBA), the signature legislative project of Republicans in Washington this year. Reflecting the historically narrow majority in the House, the legislation passed by a vote of 215-214-1 (one “present” vote). A main component of the legislation is an extension of provisions of the Tax Cuts and Jobs Act of 2017 that are expiring at the end of this year, while also inclusive of provisions of additional resource for production agriculture.

According to the Congressional Budget Office, the OBBA adds \$56.2 billion dollars into the farm safety net by making direct investments into commodity programs and crop insurance. This is accomplished through reforms to the Nutrition title of the Farm Bill, namely the SNAP program. In my simple explanation, it shifts the cost-share formula and certain administrative requirements and functions back onto the states to administer these programs. Notably, this has drawn sharp criticism from Democratic lawmakers.

Specifically for the crop insurance program, this legislation adds key resources into the private-sector delivery system that have been identified by the industry as needed. This includes:

- Improves producer access to crop insurance through enhanced premium support for Basic and Optional Units.
- Provides area wide coverage up to 90% for individual yield or revenue coverage aggregated across multiple commodities.

- Increases Supplemental Coverage Option (SCO) premium support from 65% to 80%.
- Enhances coverage level availability for Whole Farm Revenue Protection and similar Crop and Livestock Income Protection to 90%.
- Extends Beginning Farmer and Rancher benefits from 5 years to 10 years, with enhanced premium support starting at 15% in the first year and gradually decreasing annually to reach 10% by year five, remaining at 10% through year ten.
- Provides a 6% reimbursement to Approved Insurance Providers (AIP) in states which have a loss ratio greater than 120%.
- Indexes all Administrative and Operating (A&O) for inflation consistent with A&O inflation adjustment for 2011-2015 and provides equitable relief for specialty crops with minimum reimbursement.
- Invests \$10 million annually in program integrity and compliance beginning in 2026.
- Establishes a Poultry Insurance Pilot Program for poultry growers to receive index-based insurance against extreme weather events resulting in increased utility costs. This pilot is available for producers in AL, AR and MS beginning in 2027.

The legislation also makes significant investments into commodity programs. This is inclusive of increased reference prices, increase of available base acres, and other improvements. These policies can be found on the [House Committee on Agriculture's website \(HAC\)](#) and have been covered by economic outlets like Texas A&M and University of Illinois should you like to read further following the HAC's passage of the legislation last week.

OBBA is now in the Senate for consideration, where Senators have notably suggested that further changes may need to be made in areas such as SALT or Medicaid reforms offered in the House. Senate Agriculture may also need to leave its mark on its portion of this bill, especially SNAP reforms, to ensure political feasibility of its members in the Upper Chamber. While conversations have started, specific deliberations on these provisions from the Committee have not yet been formally announced. RCIS will keep you apprised of these negotiations in the Senate as they move forward.

Wishing all of you a safe and enjoyable Memorial Day Weekend from myself and the RCIS Team!

Please don't hesitate to reach out with any questions or comments. I can be reached at jeffrey.sands@rcis.com.

Audience - Agents in all states; All Employees.



© 2025 Rural Community Insurance Company. All rights reserved. To ensure you receive this and other RCIS emails, please add rcis@rcis.com to your address book. This email was sent by Rural Community Insurance Company, 3501 Thurston Ave., Anoka, MN 55303, and is intended for general distribution in the United States.

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices and employees and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

USDA is an equal opportunity provider, employer, and lender.

This is intended as a general description of certain types of insurance and services available to qualified customers provided solely for informational purposes. Coverage is underwritten in all states by Rural Community Insurance Company, Anoka, MN except in Montana where hail coverage is underwritten by Tri-County Farmers Mutual Insurance Company, Malta, MT. Nothing herein should be construed as a solicitation, offer, advice, recommendation, or any other service with regard to any type of insurance product or services. Your policy is the contract that specifically and fully describes your coverage, terms and conditions. The description of the policy provisions gives a broad overview of coverages and does not revise or amend the policy. Some products not available in all states or counties. Coverage type may vary by state. Coverages and rates are subject to individual insured meeting our underwriting qualifications and product availability in applicable states. RCIS is a registered trademark of Zurich American Insurance Company. RCIC is an equal opportunity provider.

The information in this publication was compiled from sources believed to be reliable for informational purposes only. All sample policies and procedures herein should serve as a guideline, which you can use to create your own policies and procedures. We trust that you will customize these samples to reflect your own operations and believe that these samples may serve as a helpful platform for this endeavor. Any and all information contained herein is not intended to constitute advice (particularly not legal advice). Accordingly, persons requiring advice should consult independent advisors when developing programs and policies. We do not guarantee the accuracy of this information or any results and further assume no liability in connection with this publication and sample policies and procedures, including any information, methods or safety suggestions contained herein. Moreover, RCIS reminds you that this cannot be assumed to contain every acceptable safety and compliance procedure or that additional procedures might not be appropriate under the circumstances. The subject matter of this publication is not tied to any specific insurance product nor will adopting these policies and procedures ensure coverage under any insurance policy.