



**Iowa
Cattlemen's
Association**

December 21, 2020

Director, Product Administration and Standards Division
Risk Management Agency
United States Department of Agriculture
P.O. Box 419205
Kansas City, MO 64133-6205
Submitted via email to rma.kcviri@usda.gov

Iowa Cattlemen's Association Comments on the Risk Management Agency's Pasture, Rangeland, Forage Contractors Report and Alternative Recommendations

The Iowa Cattlemen's Association appreciates the opportunity to provide feedback to the Risk Management Agency (RMA). We submit the following comment in response to RMA's recommended updates to the Rangeland Forage Rainfall Index Crop Insurance Program (PRF). The Iowa Cattlemen's Association is a grassroots organization representing more than 8,500 independent cattle producers and stakeholders affiliated with the beef cattle industry in Iowa.

The PRF program is a valuable tool that helps producers mitigate precipitation-related risk. The program provides much-needed coverage for the feedstuff that many cattle producers rely on. In comparison to other states, we recognize that PRF is not widely utilized in Iowa. We have limited pasture and forage acres, and irrigated hay is not a common practice in the state. Since 2018, approximately 300 PRF policies have been purchased each year in Iowa.

Despite lower participation rates than other beef producing states, we recognize the value of this program to our producers. In this year alone, drought conditions have affected every single county in Iowa. Some counties have experienced various stages of drought for an extended period of time. As of December 15, portions of nine counties are classified as D3 (Extreme Drought). In addition, more than half of the state's counties range from D0 (Abnormally Dry) to D2 (Severe Drought). Furthermore, the most recent Monthly Weather Report from the Iowa Department of Agriculture and Land Stewardship (IDALS) State Climatologist predicts above-average temperatures this winter, which lends itself to even drier conditions.

Between the years 2018 and 2020, 917 PRF policies were sold in Iowa. The majority of those policies were at the 90 percent coverage level, much like the rest of the United States. Of the total policies sold during that three-year timespan, nearly 62 percent yielded indemnity payments to producers. In 2020, nearly 79 percent of the total policies resulted in indemnity payments. Considering the aforementioned statements, it would be reasonable to conclude that the widespread, long-term drought conditions experienced in Iowa throughout 2020 likely contributed to the increase in indemnities to producers who utilized PRF.

As we reflect on how the program has benefitted producers in Iowa, it's important that we recognize the value of consulting those producers when proposing any changes to a program such as PRF. Therefore, the Iowa Cattlemen's Association requests that RMA withdraw consideration of the alternative and contractor recommendations at this time. We recommend a survey of producers and/or direct consultation with organizations that represent cattlemen to ensure the PRF insurance program will achieve its intended purpose.

The Iowa Cattlemen's Association appreciates the opportunity to provide comment on this important matter. Questions related to this comment may be directed to Cora Fox, Director of Government Relations, at (515) 296-2266 or at cora@iacattlemen.org.

Respectfully,

A handwritten signature in black ink, appearing to read "Richard Godfrey", with a horizontal line underneath.

Richard Godfrey
President, Iowa Cattlemen's Association