



October 28, 2013

Dear Conferee:

On behalf of the USA Rice Federation, the USA Rice Producers' Group, and the state producer organizations listed below, congratulations on being appointed to the conference committee to negotiate the differences in the House and Senate Farm Bills. We know it will be a challenge, but also represents an opportunity to update and streamline the many policies that ensure a strong and viable agricultural sector in the U.S.

The U.S. rice industry has several key priorities in this Farm Bill reauthorization that are critical to the competitiveness and productivity of our industry. We strongly support the Title I (commodity title) in the House bill that provides for a choice between either a Price Loss Coverage (PLC) or Revenue Loss Coverage (RLC) policy, and that includes the adjustments to reflect different rice types. We also support providing a yield update option for the PLC program and applying both the PLC and RLC on planted acres not to exceed total crop base acres on the farm, to better align with current production. We support the continuation of the marketing assistance loan program as is currently authorized.

The rice industry also supports the Supplemental Coverage Option (SCO) in the crop insurance title. SCO has the potential to help address the risk management needs of rice producers, which have been largely underserved by existing crop insurance policies. We specifically support the provisions in the House bill that allow SCO coverage to be coupled with PLC and that allow for the additional development of risk management policies that are tailored to the risks of rice producers.

Areas we have great concern about are: further tightening of program eligibility requirements and lowering of payment limit and means testing levels. The rice industry opposes income eligibility tests for commodity policy, but if such a test is imposed we prefer the House provision. We also oppose reinstating a limitation on marketing loan benefits. With regard to the PLC, RLC, and related programs, we oppose the unrealistic payment limit level that is being proposed and urge the conferees to adopt a level that is consistent with the current payment limit levels in place for these types of programs -- \$105,000 per person. In addition, the proposed changes to the way USDA determines if an individual is "actively engaged" in farming will result in a significant number of individuals and spouses being ineligible for farm policy participation even though they are making contributions that are essential to the functioning and viability of the farm. This provision should be removed.

The rice industry strongly supports the reauthorization and full funding for both the Market Access Program and Foreign Market Development Program, which are critically important to the industry's export market development and promotion activities.

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We look forward to working with you and the other conferees as you complete the conference negotiations and bring a balanced and equitable bill back to the House and Senate for final approval as soon as possible. Thank you for your consideration of our priorities and concerns.

Please contact Reece Langley (rlangley@usarice.com / 703-236-1471) if you have any questions or need any additional information.

Sincerely,

Mark Denman
Chairman, USA Rice Federation

John Owen
Chairman, USA Rice Producers' Group

Dow Brantley
Chairman, Arkansas Rice Farmers

Nicole Van Vleck
Chairman, California Rice Producers' Group

Jackie Loewer
Chairman, Louisiana Rice Producers' Group

Curtis Berry
Chairman, Mississippi Rice Council

Blake Gerard
Chairman, Missouri Rice Producers' Group

Daniel Berglund
Chairman, Texas Rice Producers Legislative Group

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