



One Massachusetts Ave., NW Suite 800 Washington, DC 20001 (202) 789-4100 Fax (202) 408-7763  
Website: [www.cropinsurers.com](http://www.cropinsurers.com) E-mail: [aaci@mwmlaw.com](mailto:aaci@mwmlaw.com)

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Contact: David Graves  
202-255-4644 (cell)

## **Crop Insurance Saved Farms in 2011**

(SCOTTSDALE, Ariz.)—The fact that growers are busy making plans for raising a huge 2012 crop after such a disastrous 2011 is a testament to the effectiveness of crop insurance, a panel of farmers said yesterday at a convention hosted by the American Association of Crop Insurers.

“Without the modern-day crop insurance system, last year could’ve cost a lot of people their family farms,” said Shawn Holladay, a Texas cotton farmer. “Weather-wise, things were worse last year than they were during the Dust Bowl.”

“And as a taxpayer, I appreciate the fact that through it all, no one ever asked Congress for a costly disaster bill to bailout farmers,” he noted. “Clearly the system, which is built on private-sector delivery, works.”

Insurance claims paid by private insurers to farmers have already topped a record-setting \$9.7 billion, according to the U.S. Department of Agriculture, and this figure should continue to climb as remaining claims are processed.

Texas has received more indemnities than any other state, nearly \$2.5 billion total, because of its historic drought. Payments were also high in the Midwest following flooding in the spring.

Anthony Bush, an Ohio corn, soybean, and wheat grower who chairs the National Corn Growers Association’s (NCGA) public policy action team, told the group that crop insurance underpins the financial health of agriculture and is a top priority for corn farmers.

Bush commended the industry for speed of payment delivery and noted that NCGA would oppose replacing private-sector delivery with a system run by the Farm Service Agency.

Also on the panel was Missouri rice grower Blake Gerard, who said that current crop insurance products for rice do not adequately address the major perils associated with rice production. The industry is working with crop insurers and the USDA’s Risk Management Agency to bolster rice policies that will hopefully provide more effective risk management in the future, he said.

All panelists said that crop insurance should play a major role in farm policy moving forward. Debate of the 2012 Farm Bill is already underway, and grower leaders are urging lawmakers to strengthen, not weaken, this successful public-private partnership.