

112TH CONGRESS
2D SESSION

H. R. 6098

To amend the Federal Crop Insurance Act to immediately reduce crop insurance premium subsidy rates from the higher subsidies provided since the Agricultural Risk Protection Act of 2000.

IN THE HOUSE OF REPRESENTATIVES

JULY 11, 2012

Mr. FLAKE (for himself and Mr. CHAFFETZ) introduced the following bill;
which was referred to the Committee on Agriculture

A BILL

To amend the Federal Crop Insurance Act to immediately reduce crop insurance premium subsidy rates from the higher subsidies provided since the Agricultural Risk Protection Act of 2000.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Crop Insurance Sub-
5 sidy Reduction Act”.

1 **SEC. 2. REDUCTION IN SHARE OF CROP INSURANCE PRE-**
2 **MIUM PAID BY FEDERAL CROP INSURANCE**
3 **CORPORATION.**

4 Section 508(e)(2) of the Federal Crop Insurance Act
5 (7 U.S.C. 1508(e)(2)) is amended—

6 (1) in subparagraph (B)(i), by striking “67”
7 and inserting “55”;

8 (2) by redesignating subparagraph (E) as sub-
9 paragraph (G) and, in clause (i) of such subpara-
10 graph, by striking “55” and inserting “24”;

11 (3) by redesignating subparagraph (F) as sub-
12 paragraph (H) and, in clause (i) of such subpara-
13 graph, by striking “48” and inserting “17”;

14 (4) by redesignating subparagraph (G) as sub-
15 paragraph (I) and, in clause (i) in such subpara-
16 graph, by striking “38” and inserting “13”; and

17 (5) by inserting after subparagraph (B) the fol-
18 lowing new subparagraphs:

19 “(C) In the case of additional coverage
20 equal to or greater than 55 percent, but less
21 than 60 percent, of the recorded or appraised
22 average yield indemnified at not greater than
23 100 percent of the expected market price, or a
24 comparable coverage for a policy or plan of in-
25 surance that is not based on individual yield,
26 the amount shall be equal to the sum of—

1 “(i) 46 percent of the amount of the
2 premium established under subsection
3 (d)(2)(B)(i) for the coverage level selected;
4 and

5 “(ii) the amount determined under
6 subsection (d)(2)(B)(ii) for the coverage
7 level selected to cover operating and ad-
8 ministrative expenses.

9 “(D) In the case of additional coverage
10 equal to or greater than 60 percent, but less
11 than 65 percent, of the recorded or appraised
12 average yield indemnified at not greater than
13 100 percent of the expected market price, or a
14 comparable coverage for a policy or plan of in-
15 surance that is not based on individual yield,
16 the amount shall be equal to the sum of—

17 “(i) 38 percent of the amount of the
18 premium established under subsection
19 (d)(2)(B)(i) for the coverage level selected;
20 and

21 “(ii) the amount determined under
22 subsection (d)(2)(B)(ii) for the coverage
23 level selected to cover operating and ad-
24 ministrative expenses.

1 “(E) In the case of additional coverage
2 equal to or greater than 65 percent, but less
3 than 70 percent, of the recorded or appraised
4 average yield indemnified at not greater than
5 100 percent of the expected market price, or a
6 comparable coverage for a policy or plan of in-
7 surance that is not based on individual yield,
8 the amount shall be equal to the sum of—

9 “(i) 42 percent of the amount of the
10 premium established under subsection
11 (d)(2)(B)(i) for the coverage level selected;
12 and

13 “(ii) the amount determined under
14 subsection (d)(2)(B)(ii) for the coverage
15 level selected to cover operating and ad-
16 ministrative expenses.

17 “(F) In the case of additional coverage
18 equal to or greater than 70 percent, but less
19 than 75 percent, of the recorded or appraised
20 average yield indemnified at not greater than
21 100 percent of the expected market price, or a
22 comparable coverage for a policy or plan of in-
23 surance that is not based on individual yield,
24 the amount shall be equal to the sum of—

1 “(i) 32 percent of the amount of the
2 premium established under subsection
3 (d)(2)(B)(i) for the coverage level selected;
4 and

5 “(ii) the amount determined under
6 subsection (d)(2)(B)(ii) for the coverage
7 level selected to cover operating and ad-
8 ministrative expenses.”.

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