

115TH CONGRESS
1ST SESSION

S. 1773

To amend the Federal Crop Insurance Act to limit the overall rate of return for crop insurance providers and remove the requirement of budget neutrality in the Standard Reinsurance Agreement.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 7, 2017

Mr. FLAKE (for himself and Mrs. SHAHEEN) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Federal Crop Insurance Act to limit the overall rate of return for crop insurance providers and remove the requirement of budget neutrality in the Standard Reinsurance Agreement.

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. REINSURANCE.**

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

6 (1) in paragraph (3)—

7 (A) by striking “(3) SHARE OF RISK.—

8 The” and inserting the following:

1 “(3) RISK.—

2 “(A) SHARE OF RISK.—The”; and

3 (B) by adding at the end the following:

4 “(B) LIMITATION ON AVERAGE RATE OF

5 RETURN.—The target average rate of return for

6 reinsured companies for the 2018 reinsurance

7 year and each subsequent reinsurance year shall

8 be 9.6 percent of retained premiums.”; and

9 (2) in paragraph (8), by striking subparagraph

10 (F).

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