



July 31, 2012

The Honorable Tom Vilsack
Secretary, U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, DC 20250

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable John Boehner
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Dear Secretary Vilsack, Majority Leader Reid, Senator McConnell, Speaker Boehner, and Representative Pelosi:

We write as a group of Midwestern governors concerned about the drought that is impacting the citizens of our states, especially our farmers and livestock producers. We know you share our concerns and we write in the spirit of state-federal partnership. We have each taken proactive steps to provide state-based relief for affected citizens and we are working together to identify areas where we can coordinate across state lines to lessen the burden on our agricultural producers.

That said, many of the levers of assistance are controlled by the Federal government and the response to disaster conditions is something which all governors can agree is an appropriate area for Federal government assistance. We write to respectfully submit the following specific requests:

- 1. Farm Bill Extension:** We ask that you work together to pass at least a short-term extension of the Farm Bill that includes key disaster-related provisions, such as the Livestock Indemnity Program, before the August recess. Federal actions and programs will not resolve all of the challenges agricultural producers will face, but they will help. The drought has caused enough uncertainty throughout our nation's agricultural sector and you can help alleviate additional and unnecessary uncertainty by passing a Farm Bill extension. We also remain hopeful that you can pass a long-term Farm Bill by the end of the year. Congress has the ability to do what Mother Nature cannot: provide our farmers with more certainty about the future. Our farmers feed the world and the agricultural economy has been one of the strongest sectors in the U.S. economy. We want to work with you to maintain our country's agricultural position during this difficult time.
- 2. Crop Insurance Claims:** We ask that you streamline and adjust the audit-related provisions of crop insurance claims. We understand that the USDA's Risk Management Agency has historically targeted high-dollar claims for additional audits. While we appreciate the need for

oversight of Federal dollars, we are concerned that the current thresholds will be quickly met by a large volume of farmers due to the severity and scale of the drought. We have heard from farmers who are concerned that they will be burdened by extensive auditing in an already difficult situation and that the system will be overwhelmed with the expected volume of claims. With a short-term waiver, and/or other common sense relief, the Federal government can ensure the system works efficiently and at the quality level everyone expects and deserves.

- 3. Transparency and Predictability in Accessing Conservation Reserve Program (CRP) Acres and Federal Lands:** We ask that the Federal government provide quick guidance and robust communications on which CRP and Federal lands will be opened up for emergency grazing and haying. Doing so will provide the transparency that farmers need in this difficult environment and preempt confusion regarding which lands are accessible and for what purposes. As part of this greater transparency request, we pledge to have the appropriate state personnel collaborate with their federal counterparts to help expedite the process for opening up CRP acres in a timely and efficient manner. Many CRP acres will open up on August 2 with the conclusion of the primary nesting season, but what is allowed will vary by the specific qualities of those acres. In addition, many states are exploring options to open up Federal lands, some of which are managed by the states, to emergency grazing and haying. We welcome opportunities to maximize forage that can be harvested in an environmentally responsible way. The Federal government can help make this process easier for states, and most importantly farmers, by developing a comprehensive plan to open up as much Federal land as possible that will not jeopardize long-term conservation goals. We encourage the Federal government to work with relevant stakeholders to create solutions that will expedite needed relief to farmers and provide flexibility for land management when time is of the essence in this emergency situation.

Thank you for your time and consideration. We appreciate your continued partnership.

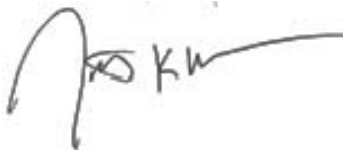
Sincerely,



Terry E. Branstad
Governor of Iowa and Chair
Midwestern Governors Association



Pat Quinn
Governor of Illinois and Immediate Past Chair
Midwestern Governors Association



Scott Walker
Governor of Wisconsin



Mitch Daniels
Governor of Indiana