

REPLY TO:

- ☐ 135 HART SENATE OFFICE BUILDING  
WASHINGTON, DC 20510-1501  
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e-mail: grassley.senate.gov/contact.cfm
- ☐ 721 FEDERAL BUILDING  
210 WALNUT STREET  
DES MOINES, IA 50309-2140  
(515) 288-1145
- ☐ 150 1ST AVENUE NE  
SUITE 325  
CEDAR RAPIDS, IA 52401  
(319) 363-6832

# United States Senate

CHARLES E. GRASSLEY

WASHINGTON, DC 20510-1501

August 28, 2012

REPLY TO:

- ☐ 103 FEDERAL COURTHOUSE BUILDING  
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- ☐ 210 WATERLOO BUILDING  
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(319) 232-6657
- ☐ 131 WEST 3RD STREET  
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(563) 322-4331
- ☐ 307 FEDERAL BUILDING  
8 SOUTH 6TH STREET  
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(712) 322-7103

Secretary Tom Vilsack  
U.S. Department of Agriculture  
1400 Independence Ave., SW  
Washington, D.C. 20250

Dear Secretary Vilsack:

During my recent travels around the state of Iowa I have been able to observe the harmful effects of this persistent drought. My staff and I have heard from numerous farmers dealing with the hardship of this year's extreme conditions. Even though temperatures have cooled a bit and some parts of the state have finally received some much needed rain, farmers are still dealing with the consequences of this drought. I appreciate some of the steps the Department of Agriculture (USDA) has taken to assist farmers. However, there are still actions your department can take to help farmers deal with these difficult circumstances.

First, while I appreciate USDA opening up Conservation Reserve Program (CRP) land for haying and grazing, there is still another step USDA could still take to help farmers wanting to harvest hay on CRP land. Due to how long it took USDA to finally open up CRP land for haying and grazing, farmers have had a relatively short window to take advantage of this opportunity compared to when farmers harvest hay on CRP land under mid-contract management situations. Under mid-contract management practices, farmers are able to hay CRP land up to September 30<sup>th</sup>. But under the rules for emergency haying, farmers have to harvest the hay on CRP land by August 31<sup>st</sup>. Under these near historic drought conditions, this shorter period for emergency haying on CRP land simply doesn't make sense. I urge you to consider extending the emergency haying period to September 30<sup>th</sup> of this year. While much of the grass on CRP land has suffered under the heat, every little bit will help farmers looking for ways to feed their livestock.

Another issue farmers have been contacting me about is the Risk Management Agency's (RMA) and crop insurance companies' handling of aflatoxin contamination in the corn crop. As reports suggest, the hot dry conditions are exacerbating the aflatoxin issue in many parts of the country. Under RMA's "Loss Adjustment Procedures for Aflatoxin" (Revised August 2012), RMA states farmers must have their crop tested for aflatoxin prior to putting it in grain bins. However, farmers are concerned with the logistical challenges this requirement will present them.

Often times, farmers are not aware of the presence of aflatoxin, or at least aware of unacceptable levels of aflatoxin, until they are sitting at the grain elevator and the elevator's sample shows levels are too high for the elevator to accept. At that juncture, the farmer must

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take his crop back to the farm and find something to do with it in a timely manner so he or she can get back to the next load of corn coming out of the field. The requirements set forth by RMA state that if the crop is not tested by the crop insurer prior to placing it in the bin then no indemnity can be paid for that portion of the crop loss.

I am concerned on a couple fronts in this regard. First, given the large number of claims that are going to be reported to insurers this year based simply on lost yields, will there be enough adjusters to deal with this added challenge of timely serving farmers dealing with aflatoxin contamination claims? In addition, are RMA and the crop insurance companies doing enough to inform farmers of the requirements when aflatoxin contamination is a concern? What is RMA doing to help ensure farmers are aware of the requirements for when they have crop damaged by aflatoxin? Is there any flexibility that RMA can provide so our farmers don't run into a logistical nightmare of having trucks full of corn with no where to put it while they wait who knows how long for an insurance adjuster to come and test the corn?

The weather conditions of this growing season have been challenging enough as it is for Iowa farmers. I urge USDA to do all it can to assist farmers dealing with the short time frame for harvesting hay on CRP land. In addition, USDA should do what it can to assist farmers who have aflatoxin contamination claims so farmers aren't caught off guard and end up with the added challenge of potentially losing out on indemnity payments.

I appreciate your consideration of my questions and requests. If you have any questions, please feel free to contact me or my staff.

Sincerely,



Charles E. Grassley  
United States Senate