

119TH CONGRESS
2D SESSION

S. _____

To amend the Federal Crop Insurance Act to reduce Federal spending on crop insurance, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mrs. SHAHEEN introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Federal Crop Insurance Act to reduce Federal spending on crop insurance, and for other purposes.

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 “Assisting Family
5 Farmers through Insurance Reform Measures Act of
6 2026” or the “AFFIRM Act of 2026”.

7 **SEC. 2. CROP INSURANCE PREMIUM SUBSIDIES DISCLO-**
8 **SURE IN THE PUBLIC INTEREST.**

9 Section 502(c)(2) of the Federal Crop Insurance Act
10 (7 U.S.C. 1502(c)(2)) is amended—

1 (1) by redesignating subparagraphs (A) and
2 (B) as subparagraphs (C) and (D), respectively; and

3 (2) by inserting before subparagraph (C) (as so
4 redesignated) the following:

5 “(A) DISCLOSURE IN THE PUBLIC INTER-
6 EST.—Notwithstanding paragraph (1) or any
7 other provision of law, except as provided in
8 subparagraph (B), the Secretary shall on an
9 annual basis make available to the public—

10 “(i)(I) the name of each individual or
11 entity that obtained a federally subsidized
12 crop insurance, livestock, or forage policy
13 or plan of insurance during the previous
14 reinsurance year;

15 “(II) the amount of premium subsidy
16 received by the individual or entity from
17 the Corporation; and

18 “(III) the amount of any Federal por-
19 tion of indemnities paid in the event of a
20 loss for that reinsurance year for each pol-
21 icy associated with that individual or enti-
22 ty; and

23 “(ii) for each private insurance pro-
24 vider, a description by the name of the pri-
25 vate insurance provider of—

1 “(I) the underwriting gains
2 earned through participation in the
3 federally subsidized crop insurance
4 program; and

5 “(II) the amount paid under this
6 subtitle for—

7 “(aa) administrative and op-
8 erating expenses;

9 “(bb) any Federal portion of
10 indemnities and reinsurance; and

11 “(cc) any other purpose.

12 “(B) LIMITATION.—The Secretary shall
13 not disclose under subparagraph (A) informa-
14 tion relating to individuals and entities covered
15 by a catastrophic risk protection plan offered
16 under section 508(b).”.

17 **SEC. 3. ADJUSTED GROSS INCOME AND PER PERSON LIMI-**
18 **TATIONS ON SHARE OF INSURANCE PRE-**
19 **MIUMS PAID BY CORPORATION.**

20 Section 508(e)(1) of the Federal Crop Insurance Act
21 (7 U.S.C. 1508(e)(1)) is amended—

22 (1) by striking “For the purpose” and inserting
23 the following:

1 “(A) PAYMENT AUTHORITY.—Subject to
2 subparagraphs (B) and (C), for the purpose”;
3 and
4 (2) by adding at the end the following:

5 “(B) ADJUSTED GROSS INCOME LIMITA-
6 TION.—The Corporation shall not pay a part of
7 the premium for additional coverage for any
8 person or legal entity that has an average ad-
9 justed gross income (as defined in section
10 1001D(a) of the Food Security Act of 1985 (7
11 U.S.C. 1308–3a(a))) that is greater than
12 \$250,000.

13 “(C) PER PERSON LIMITATION.—The Cor-
14 poration shall not pay more than \$40,000 for
15 any reinsurance year to any person or legal en-
16 tity for premiums under this section.”.

17 **SEC. 4. PROHIBITION ON PREMIUM SUBSIDY FOR HARVEST**
18 **PRICE POLICIES.**

19 Section 508(e) of the Federal Crop Insurance Act (7
20 U.S.C. 1508(e)) is amended by adding at the end the fol-
21 lowing:

22 “(10) PROHIBITION ON PREMIUM SUBSIDY FOR
23 HARVEST PRICE POLICIES.—Notwithstanding any
24 other provision of law, beginning with the 2027 rein-
25 surance year, the Corporation shall not pay any

1 amount of premium subsidy in the case of a policy
2 or plan of insurance that is based on the actual mar-
3 ket price of an agricultural commodity on the date
4 of harvest.”.

5 **SEC. 5. CAP ON OVERALL RATE OF RETURN FOR CROP IN-**
6 **SURANCE PROVIDERS.**

7 Section 508(k)(3) of the Federal Crop Insurance Act
8 (7 U.S.C. 1508(k)(3)) is amended—

9 (1) by striking the paragraph designation and
10 heading and all that follows through “The” and in-
11 sserting the following:

12 “(3) RISK.—

13 “(A) SHARE OF RISK.—The”; and

14 (2) by adding at the end the following:

15 “(B) LIMITATION ON AVERAGE RATE OF
16 RETURN.—The target average rate of return for
17 reinsured companies for the 2027 reinsurance
18 year and each subsequent reinsurance year shall
19 be 8.9 percent of retained premiums.”.

20 **SEC. 6. CAP ON REIMBURSEMENTS FOR ADMINISTRATIVE**
21 **AND OPERATING EXPENSES OF CROP INSUR-**
22 **ANCE PROVIDERS.**

23 Section 508(k)(4) of the Federal Crop Insurance Act
24 (7 U.S.C. 1508(k)(4)) is amended by adding at the end
25 the following:

1 “(G) ADDITIONAL CAP ON REIMBURSE-
2 MENTS.—

3 “(i) IN GENERAL.—Notwithstanding
4 subparagraphs (A) through (F), the total
5 amount of reimbursements for administra-
6 tive and operating costs for the 2027 rein-
7 surance year for all types of policies and
8 plans of insurance shall not exceed
9 \$900,000,000.

10 “(ii) ADJUSTMENT.—For the 2028 re-
11 insurance year and each subsequent rein-
12 surance year, the dollar amount in effect
13 pursuant to clause (i) shall be increased by
14 the inflation factor established for the ad-
15 ministrative and operating costs limitation
16 in the 2011 Standard Reinsurance Agree-
17 ment.”.

18 **SEC. 7. RENEGOTIATION OF STANDARD REINSURANCE**
19 **AGREEMENT.**

20 Section 508(k)(8) of the Federal Crop Insurance Act
21 (7 U.S.C. 1508(k)(8)) is amended by striking subpara-
22 graph (F).