

Congress of the United States

Washington, DC 20515

July 15, 2025

Ms. Pat Swanson
Administrator
Risk Management Agency
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Administrator Swanson,

We write to request the U.S. Department of Agriculture's (USDA) Risk Management Agency (RMA) undertake a comprehensive review of current risk management tools for American pork producers. Additionally, we request that RMA report to Congress on additional regulatory or legislative actions that may be taken to promote resiliency and strengthen the industry's ability to combat economic hardships due to market and production-related stresses.

As you know, the U.S. pork industry is a critical component of the U.S. economy and the agricultural industry's ability to produce the healthiest, most affordable food supply in the history of the world. Specifically, in 2023, more than 60,000 U.S. pork producers marketed over 149 million hogs valued at over \$27 billion in gross cash receipts.¹

In recent years, pork producers have been faced with various pressures, including record-high cost of production, volatile markets, and at times, severe financial losses. Additionally, diseases such as Porcine Reproductive and Respiratory Syndrome (PRRS) have created production losses due to high mortality rates and added health costs, causing significant impacts on operations across the country. Moreover, the potential for a foreign animal disease outbreak, such as African Swine Fever (ASF), poses a significant threat to our export opportunities, domestic pork supply, and hog markets.

Risk management plays an important role in any type of operation and crop insurance is the number one risk management tool for many farmers across the country. RMA currently offers two beneficial livestock-related products, Livestock Risk Protection (LRP) and Livestock Gross Margin (LGM). While participation in these programs is low relative to other commodities, LRP and LGM have seen a significant increase in participation in recent years and have become critical to risk management in the pork industry. In crop year 2025, over 40 million hogs were covered under one of these products, accounting for about one-third of hogs marketed annually.

¹ <https://nppc.org/wp-content/uploads/2024/06/U.S.-Economic-Contribution-Report-6.28.24.pdf>

However, policies insuring livestock and animal products accounted for only 1 percent of policies sold and 5 percent of liabilities insured.²

The Agricultural Act of 2014 amended the Federal Crop Insurance Act to direct the Federal Crop Insurance Corporation (FCIC) to commission a study to determine the feasibility of developing an appropriate insurance program for swine producers to provide protection against a catastrophic swine disease event (CSDE). In 2015, RMA published a study examining the economic threat of a foreign animal disease and the viability of developing an appropriate insurance program to provide market-based risk protection for pork producers.³ Since then, several of the study's conclusions on feasibility have been addressed, including lifting the statutory expenditure cap. As the industry has evolved, producers have shown an increased interest in USDA products that equip producers with effective risk management tools.

Risk management is critical to the financial health and longevity of U.S. hog farms, which is why we strongly encourage you to identify and report to Congress on regulatory or legislative changes that would make USDA-backed risk management tools more accessible for pork producers and better support the resiliency of one of America's most important industries. Additionally, we request that RMA work with our offices to schedule a briefing on the 2015 study and additional congressional and administrative efforts in this space.

Thank you for your attention to this important issue, and we look forward to working with you on behalf of the American pork industry.

Sincerely,



Brad Finstad
Member of Congress



Randy Feenstra
Member of Congress




Mike Flood
Member of Congress




Michelle Fischbach
Member of Congress

² <https://www.rma.usda.gov/tools-reports/summary-of-business/livestock-dairy-participation>

³ <https://www.rma.usda.gov/sites/default/files/topics/swine-disease.pdf>



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