



March 1, 2010

William J. Murphy
Administrator, Risk Management Agency
U.S. Department of Agriculture
South Agriculture Building, Room 6092-S
1400 Independence Avenue, SW
Washington, D.C. 20250

Dear Administrator Murphy:

Thank you for your willingness to re-examine the Risk Management Agency's (RMA) Discount Factor Charts to determine if there are ways to better reflect discounts incurred by wheat growers in the market place. We see a great opportunity to make progress on this issue in the near term through the inclusion of falling numbers in RMA's charts, but time is of the essence to resolve this issue in advance of the 2011 insurance year.

A great deal of work has gone into gathering needed information that will facilitate the inclusion of falling number discount charts for all classes of wheat in the Special Provisions of Insurance for the 2011 crop insurance year. In particular, we have greatly appreciated the work of your Regional Office staff and your staff in Kansas City to investigate solutions to this issue.

RMA has been working closely with the Farm Service Agency (FSA) in order to utilize the falling number discount charts used by that Agency for purposes of administering the commodity loan program. Though we recognize that there may be some challenges associated with including all classes of wheat in the FSA discount charts, we urge RMA and FSA will work closely together to make this process as streamlined and comprehensive as possible in order to provide needed consistency for our growers.

It is our understanding that the deadline for submission of information to be considered for the Special Provisions of Insurance for the 2011 crop insurance year is rapidly approaching. We urge the Agency to take the steps necessary to ensure that falling numbers will be reflected in those charts for 2011.

We offer our assistance if there is any further information that we can provide to help this process move forward without delay. We appreciate the relationship we have with you and with the Agency as a whole and look forward to successful resolution to this issue.

Sincerely,

Karl Scronce
President

cc: Jonathan Coppess, Administrator, USDA Farm Service Agency