



State of South Carolina

Office of the Governor

NIKKI R. HALEY
GOVERNOR

1205 PENDLETON STREET
COLUMBIA 29201

November 23, 2015

The Honorable Thomas Vilsack
Secretary
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Secretary Vilsack,

Beginning October 1, 2015, South Carolina experienced the most significant weather event in a generation with historic rains leading to unprecedented flooding across the Midlands and Low Country. Farmers were particularly hard-hit a result of this flooding with some losing entire crop yields mere days or weeks before harvest. Soybean, peanut, and cotton crops specifically suffered severe losses after what has already been a tough year for agriculture in South Carolina.

As you know, we requested and you approved a Secretarial Disaster Designation, granting farmers access to emergency loans and emergency conservation funds through the Farm Service Agency (FSA). Farmers with disaster-related losses are also relying on the crop insurance program administered through your Risk Management Agency (RMA). Unfortunately, we are continuing to receive information from farmers that the process to file and receive payment for claims is slow and cumbersome. In many cases, they are even required to harvest valueless crops at a significant expense. Accordingly, I am requesting your assistance to expedite this process and bring certainty to hundreds of small businesses across South Carolina.

First, mandatory harvest dates for cotton, soybeans, and peanuts are delaying the work of crop insurance adjusters across the state. I believe that the activation of Emergency Loss Adjustment procedures could reduce the bureaucracy of this process and allow farmers to receive funds much faster than currently scheduled. Second, post-harvest quality adjustments between a final crop appraisal and actual sale shifts significant risk of loss onto farmers if crop quality was overestimated by an appraiser. Allowances for additional adjustments would better reflect a farmer's actual loss at market. Third and finally, the requirement to bring crops to harvest when those crops have no value at market places a further and unnecessary economic burden on South Carolina's farmers. To address this issue, I ask that loss adjusters be granted the latitude to classify crops damaged to the point of total loss of market value and those that are not

The Honorable Thomas Vilsack

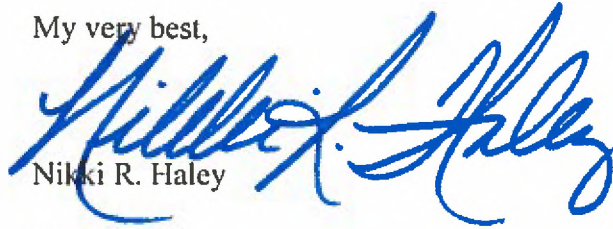
November 23, 2015

Page 2

mechanically harvestable as total losses while still in the field. Farmers who understand their crops and likely losses may be more comfortable certifying that they have destroyed their crops than going through the time and effort to bring valueless crops to harvest.

No South Carolina farmer that entered this fall with proper crop insurance and a viable business should lose that business solely because of this flood. Any effort to improve the speed and efficiency of programs and services available to farmers will greatly improve South Carolina's recovery effort and increase the likelihood that each affected small business will be operating this time next year. Thank you for your consideration of this matter; if I may be of assistance, please contact Joshua Baker in my office at 803.734.5153 or joshbaker@gov.sc.gov.

My very best,



Nikki R. Haley

NRH/jdb