

AMENDMENT TO H.R. 2642, AS INTRODUCED
OFFERED BY MS. DELAURO OF CONNECTICUT

At the end of title X, add the following new section:

Sec. 10026. CAP ON OVERALL RATE OF RETURN FOR CROP INSURANCE PROVIDERS.

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

- (1) By designating paragraph (3) as subparagraph (A) (and adjusting the margin two ems to the right);
- (2) By inserting before subparagraph (A) (as so designated) the following:
“(3) RISK. –“; and
- (3) By adding at the end the following new subparagraph:
“(B) CAP ON OVERALL RATE OF RETURN.—The target rate of return for all the companies combined for the 2013 and subsequent reinsurance years shall be 12 percent of retained premium.”.

Sec. 10027. CAP ON REIMBURSEMENTS FOR ADMINISTRATIVE AND OPERATING EXPENSES OF CROP INSURANCE PROVIDERS.

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

“(G) ADDITIONAL CAP ON REIMBURSEMENTS.—Notwithstanding subparagraphs (A) through (F), total reimbursements for administrative and operating costs for the 2013 insurance year for all types of policies and plans of insurance shall not exceed \$900,000,000. For each subsequent insurance year, the dollar amount in effect pursuant to the preceding sentence shall be increased by the same inflation factor as established for the administrative and operating costs cap in the 2011 Standard Reinsurance Agreement.”.