

MINUTES
OF THE
MEETING OF THE BOARD OF DIRECTORS
OF THE
FEDERAL CROP INSURANCE CORPORATION

A meeting of the Board of Directors (Board) of the Federal Crop Insurance Corporation (FCIC) was held on June 24, 2014, in Washington, DC. The public was invited to attend the open session portion of the meeting.

Meeting
June 24, 2014

The meeting was called to order at 1:30 pm, June 24, 2014, in Room 6610, South Agriculture Building, U.S. Department of Agriculture, Washington, DC.

Call to Order
Open Session

The Board immediately went into Executive Session to discuss confidential matters with Risk Management Agency (RMA) staff and submitters of private products under the Federal Crop Insurance Act (Act). The Executive Session continued on May 8 in Room 108A, Jamie Whitten Building, U.S. Department of Agriculture, Washington, DC.

Executive Session

The open session of the Board reconvened at 5:30 pm.

Reconvene Open
Session

Kim Arrigo read the recitation to all members of the Board to advise the Board of its responsibilities in representing the interests of the FCIC and USDA and advised each member to act accordingly.

Recitation

The Chairman requested Board members to introduce themselves. Present were Joe Glauber, Chief Economist, USDA; James Bardenhagen, Iris Saenz, John Finston, Margaret Goode, Ellen Linderman, and Kenneth Sneed and Brandon Willis, Manager, FCIC, constituting a statutory quorum and Cindy Spoor, Secretary, FCIC.

Present

Also present were Michael Alston, Ron Lundine, Thomas Worth, and Tammy Jackson and present by phone were Tim Witt, Tim Hoffmann, Leiann Nelson, Bill Bing of RMA; David Grahn, Kim Arrigo, and Michael Knipe, Office of the General Counsel; Rob Johansson, Deputy Chief Economist; Ken Ackerman, Olson, Frank and Weeda Assoc.; Clark Willis and; Robert Cerda, Crop Insurance Systems; Alex Offerdahl, Watts and Assoc.; and Clif Parks, Agrilogic Consulting, LLC.

Chairman Glauber asked Brandon Willis for the Manager's Report. Mr. Willis stated that the Manager's Report is available on line at www.rma.usda.gov).

Manager's Report

Hearing no objection, Dr. Glauber agreed to dispense with a reading of the Manager's Report. (Exhibit 4203)

A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes of the meeting of the Board held on May 8, 2014.

Dispense with Reading – Minutes

The motion carried. (Exhibits 4204)

Approved

Chairman Glauber offered the following resolution for Docket No. CI- Section 508(h) Confidential Submission 0034 06-24-14 02, Exhibit 4205, which was seconded:

Confidential Submission 0034

RESOLVED, that pursuant to the information contained in Docket No. CI- Section 508(h) Confidential Submission 0034 06-24-14 02, Exhibit 4205, as well as other material that were submitted to the Board on this matter, the Board hereby approves Confidential Submission 0034 beginning with the first crop year the Manager determines is practicable with reinsurance and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Federal Crop Insurance Act. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient.

There being no discussion the Board voted to approve the resolution. (Exhibit 4205)

Approved

Confidential Submission 0034 refers to a Margin Protection Pilot Program submitted by Watts and Associates, Inc. and Farm Risk, Inc.

Docket No. CI-Section 508(h) Confidential Submission 0035 6-24-14 01 was the next action item before the Board. The Chair offered the following resolution which was seconded:

Confidential Submission 0035

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (Act) requires the Board to enter into contracts with persons experienced as actuaries and in underwriting for reviews of any

policy or plan of insurance, or any related material or modification of a policy or plan of insurance proposed to be offered under the Act, NOW THEREFORE BE IT

RESOLVED: That pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0035 6-24-14 01, Exhibit 4206, the Board approves expert review for Confidential Submission 0035 and directs that: 1) the Manager of the Corporation be authorized to take such action as necessary to enter in to and execute contracts with the persons or entities on the attached list, or the alternates in case the proposed persons are not available, to review the Confidential Submission 0035 prior to Board action; and 2) the attached task order statement of work be used to execute the contracts.

There being no discussion the Board voted to approve the resolution. (Exhibit 4206)

Approved

Chairman Glauber offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0045 06-24-14 02, which was seconded:

Confidential
Submission 0045

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0045 06-24-14 02, Exhibit 4207, as well as other material that were submitted to the Board on this matter, the Board hereby approves Confidential Submission 0045, as discussed in Executive Session, beginning with the first crop year the Manager determines is practicable with reinsurance and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Federal Crop Insurance Act. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient.

There being no discussion the Board voted to approve the resolution. (Exhibit 4207)

Approved

Confidential Submission 0045 refers to a Sprinkler Irrigated Rice Plan of Insurance submitted by Producers Agricultural Insurance Company, RiceTec, Inc., Valmont Industries, Inc., and the USA Rice Federation.

The next item before the Board was Docket No. CI- Section 508(h) Louisiana Sweet Potato Modification 06-24-14 01. The following resolution was offered and seconded:

Louisiana Sweet
Potato
Modification

RESOLVED, that pursuant to the information contained in Docket No. CI- Section 508(h) Louisiana Sweet Potato Modification 06-24-14 01, Exhibit 4208, as well as other material that were submitted to the Board on this matter, the Board hereby approves the Louisiana Sweet Potato Modification, as discussed in Executive Session, beginning with the first crop year the Manager determines is practicable with reinsurance and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized under section 508(h) of the Federal Crop Insurance Act. AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient.

There being no discussion the Board voted to approve the resolution. (Exhibit 4208)

Approved

The Chair noted that Docket No. CI- Cottonseed Pilot Endorsement Modification 06-24-14 01, Exhibit 4209 was withdrawn at the request of the submitter.

Cottonseed Pilot
Endorsement
Modification
Withdrawn

The Chairman offered the following resolution which was seconded for Docket No. CI-Quarantine Endorsement Pilot 06-24-14 01:

Quarantine
Endorsement Pilot

RESOLVED, that pursuant to the information contained in Docket No. CI-Quarantine Endorsement Pilot 06-24-14 01, Exhibit 4210, as well as other related materials that may have been submitted to the Board for consideration and discussion on this matter, the Board approves the continuation of the Quarantine Endorsement Pilot Crop Insurance Program, with reinsurance, risk subsidy, and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager under the authority contained in section 522(c) and 523(a)(4) of the Federal Crop Insurance Act (7 U.S.C. 1523(a)(4)). AND BE IT FURTHER RESOLVED, That the Board delegates to the Manager the authority to make such technical policy changes as are necessary to make the policy legally sufficient.

