

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 March 4-5, 2020, in Washington, DC. The public was invited to attend the open session portion of the meeting.

Meeting
March 4-5, 2020

The meeting was called to order at 2:15 pm on March 4, 2020.

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 section 508(h) of the Federal Crop Insurance Act (Act).

Executive Session

Open session of the Board reconvened on March 5, 2020, at 9:45 am.

Reconvene Open
Session

Maureen James 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 Rob Johansson, Chief Economist, USDA; James Bardenhagen, Kenneth Sneed, John Finston, Iris Saenz, Michael Clemens, Rickey Bearden and Martin Barbre, Manager, FCIC, constituting a statutory quorum, and Robin Anderson, Secretary, FCIC.

Present

Also present were Richard Flournoy, Shaun Collins, David Zaroni, Mike Ciliege, Lane Webb, RJ Layer, and Keith Gray, RMA; Maureen James and Samuel Pogue, Office of the General Counsel; Ashley Hungerford, Office of the Chief Economist; Hunt Shipman, Cornerstone Government Affairs; Clif Parks and Brandon McDonald, AgriLogic, LLC.

Present by phone were: Tara Ponds, Jay Hunnicutt, Cody Lovercamp, Galen Tuley, Chris Aulbur, RMA; Alex Offerdahl, Watts

and Associates; Randy Rhodes, Windmark Insurance; Bruce Sherrick, University of Illinois; and Madelyn Smith, Meridian Institute.

Chairman Johansson asked Administrator Barbre for the Manager's Report. Mr. Barbre stated that the [Manager's Report](#) is available on line and a few highlights in the report are Prevented Planting Supplemental Disaster Payments, Sugar Beets and Hemp.

Manager's Report

Hearing no objection, Dr. Johansson agreed to dispense with a reading of the Manager's Report. (Exhibit 4588)

Dispense with Reading Report

A motion was made and seconded to dispense with the reading of the Minutes and to approve the Minutes of the Board Meetings held on November 15, 2019, (Exhibit 4589) and December 19, 2019. (Exhibit 4590)

Dispense with Reading Minutes

The motion carried. (Exhibit 4589 and 4590)

Approved

The first agenda item was Docket No. CI-Section 508(h) Confidential Submission 0087 Modification which was tabled per discussion in executive session.

Confidential Submission 0087 Tabled

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0088 Modification 03-05-20 01, which was seconded:

Confidential Submission 0088 Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0088 Modification 03-05-20 01, Exhibit 4592, as well as other material submitted to the Board on this matter, the Board hereby approves Confidential Submission 0088 Modification, beginning with the 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.

NOW THEREFORE 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 4592)

Approved

Chairman Johansson offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 157 03-05-20 01, which was seconded:

Concept Proposal
157

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires the Board to enter into contracts with persons with qualifications appropriate to review the type of concept proposal submitted for reviews of a concept proposal proposed to be developed under section 508(h) of the Act.

NOW THEREFORE BE IT RESOLVED: That pursuant to the information contained in Docket No. CI-Section 522(b) Concept Proposal 157 03-05-20 01, Exhibit 4593, the Board approves expert review of Concept Proposal 157, and directs that the Manager of the Corporation be authorized to take such action as necessary to enter into and execute contracts with the Board approved persons or entities or the alternates in case the proposed persons are not available.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4593)

Approved

Chairman Johansson offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 154 03-05-20 01, which was seconded:

Concept Proposal
154

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires the Board to consider paying an advance payment of up to 50 percent for research and development costs of a concept proposal that will be developed in to a complete and of sufficient quality 508(h) submission.

NOW THEREFORE BE IT RESOLVED: That pursuant to the information contained in Docket No. CI-Section 522(b) Concept Proposal 154 03-05-20 01, Exhibit 4594, the Board approves the advance payment of \$250,000, for Concept Proposal 154, as authorized under section 522(b) of the Federal Crop Insurance Act, the regulations published at 7 C.F.R. part 400, Subpart V, and the Approved Procedures for Reimbursements and Determination of

Reasonableness Related to Reimbursement Expenses for Concept Proposals, 508(h) Submissions and User Fee Requests.

By accepting the advance payment or additional advance payment, the applicant agrees to provide a submission consistent with section 508(h) of the Act to the Board in the October 2021 submission period.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4594) (One member abstained)

Approved

The next agenda item was Docket No. CI-Section 522(b) Concept Proposal 155 03-05-20 01, which was seconded:

Concept Proposal
155

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires the Board to enter into contracts with persons with qualifications appropriate to review the type of concept proposal submitted for reviews of a concept proposal proposed to be developed under section 508(h) of the Act.

NOW THEREFORE BE IT RESOLVED: That pursuant to the information contained in Docket No. CI-Section 522(b) Concept Proposal 155 03-05-20 01, Exhibit 4595, the Board approves expert review for Concept Proposal 155, and directs that the Manager of the Corporation be authorized to take such action as necessary to enter into and execute contracts with the Board approved persons or entities or the alternates in case the proposed persons are not available.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4595) (One member abstained)

Approved

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Submission Peanut Revenue User Fee Request 03-05-20 01, which was seconded:

Peanut Revenue
User Fee Request

RESOLVED, that pursuant to the information contained in Docket No. CI Section 508(h) Submission Peanut Revenue User Fee Request 03-05-20 01, Exhibit No. 4596, as well as other material submitted to the Board on this matter, the Board hereby approves a one-time fee for the 2020 reinsurance year of 0.50 percent of premium earned for only the Peanut Revenue Program Revenue Protection and Revenue Protection with Harvest Price Exclusion

with an annual maximum amount of \$170,000, and for the 2021 and succeeding reinsurance years of 0.37 percent based on the premium earned for only the Peanut Revenue Program Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance, with an annual maximum amount of \$126,000, 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 522(b)(4)(D) of the Federal Crop Insurance Act.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4596) (One member abstained)

Approved

Chairman Johansson offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0086 Modification 03-05-20 01, which was seconded:

Confidential
Submission 0086
Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0086 Modification 03-05-20 01, Exhibit 4597, as well as other material submitted to the Board on this matter, the Board hereby approves Confidential Submission 0086 Modification, beginning with the 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.

NOW THEREFOR 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 4597)

Approved

The next agenda item was Docket No. CI-Section 508(h) Submission Sugarcane CRE User Fee Request 03-05-20 01, which was seconded:

Sugarcane CRE
User Fee Request

RESOLVED, that pursuant to the information contained in Docket No. CI Section 508(h) Submission Sugarcane CRE User Fee Request 03-05-20 01, Exhibit No. 4598, as well as other material submitted to the Board on this matter, the Board hereby approves the user fee of 2.4 percent, up to an annual maximum of \$60,000, to be applied as a percent of premium for the Sugarcane CRE plan of insurance beginning with the 2021 reinsurance year, 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 522(b)(4)(D) of the Federal Crop Insurance Act.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4598)

Approved

The next agenda item was Docket No. CI-Section 522(b) Concept Proposal 156 03-05-20 01, which was seconded:

Concept Proposal
156

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (Act) requires the Board to enter into contracts with persons with qualifications appropriate to review the type of concept proposal submitted for reviews of a concept proposal proposed to be developed under section 508(h) of the Act.

NOW THEREFORE BE IT RESOLVED: That pursuant to the information contained Docket No. CI-Section 522(b) Concept Proposal 156 03-05-20 01, Exhibit 4599, the Board approves expert review for Concept Proposal 156, and directs that the Manager of the Corporation be authorized to take such action as necessary to enter into and execute contracts with the Board approved persons or entities or the alternates in case the proposed persons are not available.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4599)

Approved

The next agenda item was the Docket for the APH Pistachio Pilot Crop Insurance Program 03-05-20 01, which was seconded:

Pistachio

RESOLVED, that pursuant to the information contained in the Docket for the APH Pistachio Pilot Crop Insurance Program 03-05-20 01, Exhibit No. 4600, as well as other material submitted to the Board on this matter, the Board hereby authorizes the Federal Crop Insurance Corporation to convert the APH Pistachio Pilot Crop Insurance Program to a permanent program, with reinsurance, risk subsidy and administrative and operating subsidy in amounts and under such terms and conditions as determined appropriate by the Manager as authorized in section 522(c) and 523(a)(4) of the Federal Crop Insurance Act (7 U.S.C. 1523(a)(4)).

NOW THEREFORE 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 4600)

Approved

The next agenda item was the Docket for the Sesame Pilot Program Modification 03-05-20 01, which was seconded:

Sesame Pilot
Program
Modification

RESOLVED, that pursuant to the information contained in the Docket for the Sesame Pilot Program Modification 03-05-20 01, Exhibit 4601, as well as other material submitted to the Board on this matter, the Board hereby approves the Sesame Pilot Program Modification, beginning with the 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 4601)

Approved

The next agenda item was the Docket for Strawberry Production and Revenue History Insurance Program 03-05-20 01, which was seconded:

Strawberry
Production and
Revenue History

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 the Docket for the Strawberry Production and Revenue History Insurance Program 03-05-20 01, Exhibit 4602, the Board approves expert review for the Strawberry Production and Revenue History Insurance Program, and directs that the Manager of the Corporation be authorized to take such action as necessary to enter into and execute contracts with the Board approved persons or entities, or the alternates in case the proposed persons are not available.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4602)

Approved

The next agenda item was the Docket for the Yield Based Dollar Amount of Insurance Hybrid Sweet Corn Seed Modification 03-05-20 01, which was seconded:

Yield Based
Dollar Amount of
Insurance Hybrid
Sweet Corn Seed
Modification

RESOLVED, that pursuant to the information contained in the Docket for Yield Based Dollar Amount of Insurance Hybrid Sweet Corn Seed Modification 03-05-20 01, Exhibit 4603, as well as other material submitted to the Board on this matter, the Board hereby approves the Yield Based Dollar Amount of Insurance Hybrid Sweet Corn Seed Modification, beginning with the 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 4603)

Approved

The next agenda item was the Docket No. CI-Section 508(h) Confidential Submission 0089 Modification 03-05-20 01, which was seconded:

Confidential
Submission 0089
Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0089 Modification 03-05-20 01, Exhibit 4604, as well as other material submitted to the Board on this matter, the Board hereby approves Confidential Submission 0089 Modification, with revisions as discussed in Executive Session, beginning with the 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.

NOW THEREFORE 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 4604)

Approved

The Chairman offered the following resolution, which was seconded:

Specialty Crops

RESOLVED, that pursuant to the information contained in the Specialty Crop Expansion Briefing, as well as other materials that were submitted and discussed to the Board on the matter, the Board hereby approves the increase in coverage levels for certain specialty crops.

NOW THEREFORE BE IT FURTHER RESOLVED: That the Board delegates to the Manager the authority to implement these changes.

One Board Member had the following question about the Specialty Crops resolution, "Is there anything in the Farm Bill that would support this case?" The reply was, "Yes, this action will further enable RMA to expand crop insurance options for specialty crop

Question

growers. Specifically, approval of increased coverage levels for specialty crops will enable the specialty crop coordinator to meet obligations as outlined in Section 507 (g) of the Federal Crop Insurance Act.

The Board voted to approve the resolution. (Exhibit 4605)

Approved

There being no further business the Board voted to adjourn and to meet again May 19-21, 2020, in Davis, CA.

Adjourn

March 5, 2020

/signed/

Robin Anderson, Secretary
Federal Crop Insurance Corporation