

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 February 17, 2022, via videoconference and phone. The public was invited to attend the open session portion of the meeting.

Meeting  
February 17, 2022

The meeting was called to order at 12:30 pm on February 16, 2022, and again at 9:00 am on February 17, 2022.

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 February 17, 2022, at 4:30 pm.

Reconvene Open  
Session

Sam Pogue 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 Seth Meyer, Chief Economist; Michael Clemens, Rickey Bearden, Nicole Berg, Ken Selzer, Scott Silveus, Pat Swanson and Marcia Bungler, Manager, FCIC, constituting a statutory quorum, and Robin Anderson, Secretary, FCIC.

Present

Also present by phone were Richard Flournoy, Kim Jackson, Francie Tolle, David Zaroni, Shaun Collins, Chris Aulbur, Mike Ciliege, Cody Lovercamp, Lane Webb, and Ryan Seely, RMA; Maureen James and Sam Pogue, Office of the General Counsel; Kim Arrigo, Arrigo Risk Consulting; Ron LeMay, Bob McClure, Greg Mills, Jonathan Mills, Koan Briggs, Kathy Walker, and Greg Reynolds, Main Street Data; Keith Shuman and Nicole Gueke, AgriLogic; David Gibson, Texas Corn Producers; Marin Bozic, Bozic LLC.; Tim Davis, Hudson Insurance Company; and Kaia Pearson, American Agriculture Insurance Company.

Chairman Meyer asked Administrator Marcia Bunger for the Manager's Report. Mrs. Bunger stated that the [Manager's Report](#) is available on-line.

Manager's Report

Hearing no objection, Dr. Meyer agreed to dispense with a reading of the Manager's Report. (Exhibit 4626)

A motion was made and seconded to dispense with the reading of the November and December Minutes and to approve the Minutes (Exhibits 4627 and 4628) of the meetings of the Board held on November 19 and December 22, 2021. The motion carried. (Exhibit 4627 and 4628)

Minutes

Chairman Meyer offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 163 02-17-22 01, Exhibit 4629, which was seconded.

Concept Proposal  
163

WHEREAS, Section 522(b) of the Federal Crop Insurance Act (FCIA) 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 163 02-17-22 01, Exhibit 4629, the Board approves the advance payment of \$200,419 for Concept Proposal 163 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, and delegates to the Manager authority to obligate funds and administer the approved advance payment.

By accepting the advance payment, the applicant agrees to provide a submission consistent with section 508(h) of the Federal Crop Insurance Act to the Board in July 2023, submission period.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4629)

Approved

Next on the agenda was Docket No. CI-Section 508(h) Confidential Submission 0107 02-17-22 01, Exhibit 4630 which was tabled per discussions in Executive Session.

Confidential  
Submission 0107  
Tabled

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0108 02-17-22 01, Exhibit 4631, which was seconded.

Confidential  
Submission 0108

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0108 Modification 02-17-22 01, Exhibit 4631, as well as other material submitted to the Board on this matter, the Board hereby approves Confidential Submission 0108 Modification, with revisions as discussed in Executive Session, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, 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 take the actions necessary to implement the product for the appropriate crop year. [This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure compliance with the law, and other revisions to efficiently implement the product.]

There being no discussion, the Board voted to approve the resolution. (Exhibit 4631)

Approved

The Chairman offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0109 02-17-22 01, Exhibit 4632, which was seconded.

Confidential  
Submission 0109

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (FCIA) 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 Federal Crop Insurance Act, NOW THEREFORE BE IT RESOLVED:

That pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0109 02-17-22 01 Exhibit 4632, the Board approves expert review for Confidential Submission 0109, and directs that the Manager 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 4632)

Approved

The Chairman offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0110 02-17-22 01, Exhibit 4633, which was seconded.

Confidential  
Submission 0110

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0110 Modification 02-17-22 01, Exhibit 4633, as well as other material submitted to the Board on this matter, the Board hereby approves Confidential Submission 0110 Modification, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, 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 take the actions necessary to implement the product for the appropriate crop year. [This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure compliance with the law, and other revisions to efficiently implement the product.]

There being no discussion, the Board voted to approve the resolution. (Exhibit 4633)

Approved

The Chairman offered the following resolution for Docket No. CI-Section 508(h) Submission APH Caneberry User Fee Request 02-17-22 01, Exhibit 4634, which was seconded.

APH Caneberry  
User Fee Request

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission APH Caneberry User Fee Request 02-17-22 01, Exhibit 4634, as well as other material submitted to the Board on this matter, the Board hereby approves the user fee of 4.5 percent per premium dollar earned, up to an annual maximum of \$35,000, to be applied as a percent of premium for the APH Caneberry plan of insurance beginning with the 2023 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.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take such actions necessary to facilitate communication with the affected parties regarding roles and responsibilities in the charging and collection of the user fee.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4634)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission Macadamia Tree User Fee Request 02-17-22 01, Exhibit 4635, which was seconded.

Macadamia Tree  
User Fee Request

RESOLVED, that pursuant to the information contained in Docket No. CI Section 508(h) Submission Macadamia Tree User Fee Request 02-17-22 01, Exhibit 4635, as well as other material submitted to the Board on this matter, the Board hereby approves the user fee of 4 percent per premium dollar earned, up to an annual maximum of \$26,000, to be applied as a percent of premium for the Macadamia Tree plan of insurance beginning with the 2023 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.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take such actions necessary to facilitate communication with the affected parties regarding roles and responsibilities in the charging and collection of the user fee.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4635)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission Livestock Risk Protection (LRP) for Feeder Cattle, Fed Cattle, and Swine Modification 02-17-22 01, Exhibit 4636, which was seconded.

Livestock Risk  
Protection (LRP)  
for Feeder Cattle,  
Fed Cattle, and  
Swine  
Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Livestock Risk Protection (LRP)

for Feeder Cattle, Fed Cattle, and Swine Modification 02-17-22 01, Exhibit 4636, as well as other material submitted to the Board on this matter, the Board hereby approves the LRP for Feeder Cattle, Fed Cattle, and Swine Modification, with revisions as discussed in Executive Session, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, 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 take the actions necessary to implement the product for the appropriate crop year. [This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure compliance with the law, and other revisions to efficiently implement the product.]

There being no discussion, the Board voted to approve the resolution. (Exhibit 4636)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission Dairy Revenue Protection Modification 02-17-22 01, Exhibit 4637, which was seconded.

Dairy Revenue  
Protection  
Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Dairy Revenue Protection Modification 02-17-22 01, Exhibit 4637, as well as other material submitted to the Board on this matter, the Board hereby approves the Dairy Revenue Protection Modification, with revisions as discussed in Executive Session, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, 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 take the actions necessary to implement the product for the appropriate crop year. [This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure

compliance with the law, and other revisions to efficiently implement the product.]

There being no discussion, the Board voted to approve the resolution. (Exhibit 4637)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission Dairy Revenue Protection User Fee Request 02-17-22 01, Exhibit 4638, which was seconded.

Dairy Revenue Protection User Fee Request

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Dairy Revenue Protection User Fee Request 02-17-22 01, Exhibit 4638, as well as other material submitted to the Board on this matter, the Board hereby approves the user fee of 1.0 percent per premium dollar earned, up to an annual maximum of \$350,000, as submitted, to be applied as a percent of premium for the Dairy Revenue Protection plan of insurance beginning with the 2023 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.

NOW THEREFORE BE IT FURTHER RESOLVED that the Board delegates to the Manager the authority to take such actions necessary to facilitate communication with the affected parties regarding roles and responsibilities in the charging and collection of the user fee.

There being no discussion, the Board voted to approve the resolution. (Exhibit 4638)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Submission Livestock Gross Margin Modification 02-17-22 01, Exhibit 4639, which was seconded.

Livestock Gross Margin Modification

RESOLVED, that pursuant to the information contained in Docket No. CI-Section 508(h) Submission Livestock Gross Margin Modification 02-17-22 01, Exhibit 4639, as well as other material submitted to the Board on this matter, the Board hereby approves the Livestock Gross Margin Modification, with revisions as discussed in Executive Session, beginning with the crop year the Manager determines is practicable with actuarially appropriate rates, 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 take the actions necessary to implement the product for the appropriate crop year. [This delegation includes the authority to implement changes, including those discussed in executive session, and to make other revisions to conform the product to RMA standards, ensure compliance with the law, and other revisions to efficiently implement the product.]

There being no discussion, the Board voted to approve the resolution. (Exhibit 4639)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 508(h) Confidential Submission 0111 02-17-22 01, Exhibit 4640, which was seconded.

Confidential  
Submission 0111

WHEREAS, Section 505(e) of the Federal Crop Insurance Act (FCIA) 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 Federal Crop Insurance Act, NOW THEREFORE BE IT RESOLVED:

That pursuant to the information contained in Docket No. CI-Section 508(h) Confidential Submission 0111 02-17-22 01, Exhibit 4640, the Board approves expert review for Confidential Submission 0111, 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 4640)

Approved

Chairman Meyer offered the following resolution for Docket No. CI-Section 522(b) Concept Proposal 164 02-17-22 01, Exhibit 4641, which was seconded.

Concept Proposal  
164

RESOLVED: that pursuant to the information contained in Docket No. CI-Section 522(b) Concept Proposal 164 02-17-22 01, Exhibit 4641, the Board disapproves expert review for Concept Proposal



